SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division – Civil Actions Branch

2441 BOND ST EQUITIES, LLC
2120 L Street, N.W.
Suite 315
Washington, D.C. 20037,

Plaintiff,

v.

JONATHAN UMBEL
6600 32nd Place, N.W.
Washington, D.C. 20015

and

BETHANY UMBEL
6600 32nd Place, N.W.
Washington, D.C. 20015,

Defendants.

FILED
CIVIL ACTIONS BRANCH
AUG 17 2012
SUPERIOR COURT
OF THE DISTRICT OF COLUMBIA
WASHINGTON, DC

0006769-12

Civil Action No. _____

Case: 2012 CA 006769 B
00046078435
Dkt: CABCBCF

COMPLAINT FOR BREACH OF GUARANTY OF LEASE AGREEMENT AND WASTE

COMES NOW PLAINTIFF 2441 BOND ST EQUITIES, LLC ("2441 Bond"), by counsel, hereby sue DEFEDNANTS JONATHAN UMBEL ("Mr. Umbel") and BETHANY UMBEL ("Ms. Umbel"), jointly and severally. In support of its Complaint, 2441 Bond avers as follows:

JURISDICTION AND PARTIES

1. This Court has jurisdiction over the Complaint by virtue of D.C. Code §11-921 (2001 ed.) and the amount in controversy exceeds Five Thousand Dollars ($5,000.00), exclusive of interest, costs, attorneys and protest fees, setoffs and just grounds of defense.

LAW OFFICES
GREENSTEIN DELORME & LUCHS, P.C.
1620 L STREET, N. W.
SUITE 900
WASHINGTON, D.C. 20036-5605
AREA CODE 202-452-1400

2. 2441 Bond is a Delaware limited liability company.

3. Mr. Umbel is a resident of the District of Columbia. On information and belief, Mr. Umbel is the managing member of Pure Hospitality, LLC and GBP, LLC. Mr. Umbel is listed as the Registered Agent for Pure Hospitality, LLC and GBP, LLC with the District of Columbia Department of Consumer and Regulatory Affairs Corporations Division ("DCRA Corp. Div."). Attached as **Exhibit A** is a printout from the DCRA Corp. Div. website for a Pure Hospitality, LLC and GBP, LLC.

4. Ms. Umbel is a resident of the District of Columbia. On information and belief, Ms. Umbel is a member of Pure Hospitality, LLC and GBP, LLC.

5. Mr. Umbel and Ms. Umbel (collectively, the "Guarantors") are the guarantors of the Lease Agreement (the "3241 Lease") for the real property and improvements located at 3241 M Street, N.W. (the "Pure Property") and the Lease Agreement (the "3245 Lease") for the real property and improvements located at 3245 M, Street, N.W. (the "GBP Property").

FACTS

BACKGROUND FOR PURE HOSPITALITY, LLC T/A HOOK

6. 2441 Bond is the owner of the Pure Property. Attached hereto as **Exhibit B** is a true and accurate copy of the Deed for the Pure Property.

7. On or about September 28, 2010, 2441 Bond, as landlord, and Pure Hospitality, LLC d/b/a Hook ("Pure LLC"), as tenant, entered into the 3241 Lease. Attached hereto as **Exhibit C** is a true and accurate copy of the 3241 Lease.

8. Mr. Umbel signed the 3241 Lease on behalf of Pure LLC as its managing member. *See Exhibit C, 3241 Lease at p. 24.*

9. Pure LLC operated the Pure Property as a seafood restaurant known as Hook.

10. On Thursday, May 24, 2012, Pure LLC began operating the Pure Property as a

modern Mexican restaurant known as Bandolero.

11. The initial term of the 3241 Lease was for ten (10) years, commencing on September 28, 2010, and terminating on September 30, 2020. *See Exhibit C, 3241 Lease, at p. 1, Section 1.01.D and p. H-1.*

12. Attached to the 3241 Lease as Exhibit B is the personal and unconditional guaranty (the "3241 Guaranty") signed by the Guarantors for all of Pure LLC's monetary and non-monetary obligations under the 3241 Lease. *See Exhibit C, 3241 Lease, at pp. C-1 to C-3.*

13. The 3241 Guaranty makes the Guarantors the irrevocable and unconditionally guarantors of:

> a. the due and punctual payment in full (and not merely the collectibility [sic]) when and as due of all rentals, including any escalations or additional rental due under said [3241] Lease, and
>
> b. the due and punctual performance and completion by [Pure] of all covenants, undertakings, duties, agreements, liabilities, obligations and requirements made by or imposed upon the [Pure] pursuant to the terms and provisions of said [3241] Lease.

See Exhibit C, 3241 Lease, at p. C-1.

14. The 3241 Guaranty provides that 2441 Bond may proceed against the Guarantors to enforce any covenant of the 3241 Lease without having first proceeded separately against Pure. *See Exhibit C, 3231 Lease, at p. C-1.*

15. The 3241 Guaranty provides that the Guarantors waive "(i) presentment and demand for payment of the Obligations and protest of non-payment; ... (iii) notice of any default hereunder or under the Lease and notice of all indulgences; (iv) demand for observance,

performance or enforcement of any of the terms or provisions of this Guaranty Agreement or the Lease." *See Exhibit C, 3231 Lease, at p. C-1.*

16. Effective September 28, 2010, Pure LLC, as the tenant under the 3241 Lease, had exclusive possession and control of the Pure Property to the exclusion of all others subject only to whatever rights were reserved to 2441 under the 3241 Lease.

BACKGROUND FOR GBP, LLC T/A TACKLE BOX

17. 2441 Bond is the owner of the GBP Property. Attached hereto as **Exhibit D** is a true and accurate copy of the Deed for the GBP Property.

18. On or about September 28, 2010, 2441 Bond, as landlord, and GBP, LLC d/b/a Tackle Box ("GBP LLC"), as tenant, entered into the 3245 Lease. Attached hereto as **Exhibit E** is a true and accurate copy of the 3245 Lease.

19. Mr. Umbel signed the 3245 Lease on behalf of GBP LLC as its managing member. *See Exhibit E, 3245 Lease at p. 24.*

20. GBP LLC operated the GBP Property as a fast casual seafood restaurant known as Tackle Box and described on its website (www.tackleboxrestaurant.com) as the District of Columbia's "first and only lobster shack."

21. GBP LLC is responsible for the day to day operations of Tackle Box.

22. The initial term of the 3245 Lease was for ten (10) years, commencing on September 28, 2010, and terminating on September 30, 2020. *See Exhibit E, 3245 Lease, at p. 1, Section 1.01.D and p. H-1.*

23. Attached to the 3245 Lease as Exhibit B is the personal and unconditional guaranty (the "3245 Guaranty") signed by the Guarantors for all of GBP LLC's monetary and non-monetary obligations under the 3245 Lease. *See Exhibit E, 3245 Lease, at pp. C-1 to C-3.*

24. The 3245 Guaranty makes the Guarantors the irrevocable and unconditionally guarantors of:

> a. the due and punctual payment in full (and not merely the collectibility [sic]) when and as due of all rentals, including any escalations or additional rental due under said [3245] Lease, and
>
> b. the due and punctual performance and completion by [GBP] of all covenants, undertakings, duties, agreements, liabilities, obligations and requirements made by or imposed upon the [GBP] pursuant to the terms and provisions of said [3245] Lease.

See Exhibit E, 3245 Lease, at p. C-1.

25. The 3245 Guaranty provides that 2441 Bond may proceed against the Guarantors to enforce any covenant of the 3245 Lease without having first proceeded separately against Pure. *See Exhibit E, 3245 Lease, at p. C-1.*

26. The 3245 Guaranty provides that the Guarantors waive "(i) presentment and demand for payment of the Obligations and protest of non-payment; ... (iii) notice of any default hereunder or under the Lease and notice of all indulgences; (iv) demand for observance, performance or enforcement of any of the terms or provisions of this Guaranty Agreement or the Lease." *See Exhibit E, 3245 Lease, at p. C-1.*

27. Effective September 28, 2010, GBP LLC, as the tenant under the 3245 Lease, had exclusive possession and control of the GBP Property to the exclusion of all others subject only to whatever rights were reserved to 2441 under the 3245 Lease.

FACTS RELATED TO PURE LLC

28. On or about June 29, 2011, a fire (the "Fire") occurred at the Pure Property

resulting in extensive damage to the Pure Property and collateral damage to the GBP Property.

29. As a result of the Fire, the businesses operating out of the Pure Property and the GBP Property were temporarily closed for repairs.

30. Pursuant to Section 11.04 of the 3241 Lease, Pure LLC had a duty to perform certain work at the Pure Property, including, *inter alia*, redecorating and refixturing of the Pure Property in a substantially similar condition as prior to the Fire. *See Exhibit C, 3241 Lease at Section 11.03 at p.16.*

31. On February 28, 2012, 2441 Bond and Pure LLC entered into a Restoration Agreement and Lease Amendment (the "Restoration Agreement"). Attached hereto as **Exhibit F** is a true and accurate copy of the Restoration Agreement. The Restoration Agreement provided a manner in which 2441 Bond and Pure LLC would complete the work in the 3241 Property as required by the 3241 Lease. *See Exhibit F, Restoration Agreement.*

32. The Restoration Agreement provides:

a. The work to be performed by Pure LLC as detailed in plans prepared by Streetsense was approved by 2441 Bond, and any changes or deviations required advanced approval from 2441 Bond;

b. The work to be completed under the Restoration Agreement was to be performed by Minkoff Construction Company ("Minkoff"), and any work for Pure LLC performed by a different contractor would be supervised and directed by Minkoff;

c. Pure LLC was to provide "as built" plans to 2441 Bond within thirty (30) days of completion of Pure LLC's work;

d. The rent abatement provided for in Section 11.02.B of the 3241 Lease

terminated as of April 6, 2012.

See Exhibit F, Restoration Agreement.

33. Mr. Umbel signed the Restoration Agreement on behalf of Pure LLC, as the managing member. *See Exhibit F, Restoration Agreement.*

34. On or about May 22, 2012, the Pure Property passed the District of Columbia's final inspection, and two (2) days later, Pure LLC opened for business as Bandolero.

35. Pure LLC did not provide "as built" plans to 2441 Bond as required by the Restoration Agreement by Thursday, June 21, 2012, the thirtieth (30^{th}) day after the Pure Property passed final inspection.

36. Pure LLC has not provided 2441 Bond with "as built" plans at any time, including after Pure LLC's counsel received a written request on June 29, 2012, that his client provide the same.

37. On February 13, 2012, 2441 Bond sent a letter via Certified Mail to Pure LLC indicating that Pure LLC's security deposit had been drawn below the minimum amount of $10,000.00, specifically referencing Section 5.12 of the 3241 Lease (the "Pure Security Deposit Notice"). Attached as **Exhibit G** is a true and accurate copy of the Pure Security Deposit Notice.

38. Several days later, on or about February 15, 2012, 2441 Bond received the Pure Security Deposit Notice back from the United States Postal Service with a notation on the envelope that delivery was "refused 2/14/12." Attached as **Exhibit H** is a true and accurate copy of the envelope for the Pure Security Deposit Notice.

39. On March 30, 2012, still having not either received the required security deposit or otherwise received any communication from either Pure LLC or the Guarantors, 2441 Bond issued a Notice of Default and Demand for Cure for Non-Monetary Breach (the "Pure Security

Deposit Default Notice"). Attached as **Exhibit I** is a true and accurate copy of the Pure Security Deposit Default Notice.

40. On April 24, 2012, 2441 Bond sent Pure LLC a demand for payment of tax bills totaling $13,491.08 (the "Pure Tax Letter"). Attached as **Exhibit J** is a true and accurate copy of the Pure Tax Letter. The Pure Tax Letter explained that the tax bills were for the period of time prior to the rent abatement's commencement and subsequent to the expiration of the rent abatement.

41. Pure LLC refused to accept delivery of the Federal Express package contain the Pure Tax Letter. On or about May 8, 2012, 2441 Bond received the Federal Express package containing the Pure Tax Letter with a label from Federal Express indicating that the delivery was refused by Pure LLC. Attached as **Exhibit K** is a true and accurate copy of the envelope for the Pure Tax Letter.

42. To date, Pure LLC has not responded to the Pure Tax Letter, either by paying the amounts owed or otherwise.

43. On or about February 23, 2012, Pure LLC requested consent to paint the exterior of the Pure Property "Duron Slate Gray." Attached as **Exhibit L** is a true and accurate copy of the February 23, 2012 email. 2441 Bond consented to the request.

44. Despite Pure LLC's reference to a specific paint color, Duron Slate Gray, Pure LLC did not paint the exterior of the Pure Property accordingly.

45. On April 30, 2012, 2441 Bond issued a Notice of Default and Demand for Cure for Non-Monetary Breach (the "Paint Default Notice") providing Pure LLC with thirty (30) days to restore the Pure Property to that which existed prior to the unauthorized alteration. Attached as **Exhibit M** is a true and accurate copy of the Paint Default Notice.

46. Pure LLC refused to accept delivery of the Federal Express package contain the Paint Default Notice. On or about May 9, 2012, 2441 Bond received the Federal Express package containing the Paint Default Notice with a label from Federal Express indicating that the delivery was refused by Pure LLC. Attached as **Exhibit N** is a true and accurate copy of the envelope for the Paint Default Notice.

47. Pure LLC did not take the action required in the Paint Default Notice within thirty (30) days of its issuance.

48. To date, Pure LLC has not restored the Pure Property to the condition that existed prior to the unauthorized alteration.

49. On May 3, 2012, based on Pure LLC's failure to cure the default specified in the Pure Security Deposit Default Notice as required, 2441 Bond provided Pure LLC with notice that the 3241 Lease was terminated and thirty (30) days written to quit and vacate the Pure Property (the "Pure Termination Notice"). Attached hereto as **Exhibit O** is a true and accurate copy of the Pure Termination Notice.

50. The Pure Termination Notice was posted at the Pure Property on the morning of May 8, 2012. The Pure Termination Notice was also personally served on Mr. Umbel, Pure LLC's registered agent, at 8:23 a.m.

51. Approximately two (2) hours after the Pure Termination Notice was served on Mr. Umbel on behalf of Pure, LLC, Ms. Umbel personally delivered a check for $10,005.00 (the "Security Deposit Replenishment") to 2441 Bond, ostensibly to cure the default identified in the Pure Security Deposit Default Notice.

52. On May 11, 2012, 2441 Bond returned the Security Deposit Replenishment to Pure LLC, as Pure LLC's cure period had expired and 2441 Bond had already terminated the

3241 Lease. Attached hereto as **Exhibit P** is a true and accurate copy of the May 11, 2012 Letter returning the Security Deposit Replenishment.

53. Pure LLC refused to accept delivery of the Federal Express package returning the Security Deposit Replenishment. On or about May 25, 2012, 2441 Bond received the Federal Express package containing the Security Deposit Replenishment with a label from Federal Express indicating that the delivery was refused by Pure LLC. Attached as **Exhibit Q** is a true and accurate copy of the envelope for the Security Deposit Replenishment.

54. In May 2012, 2441 Bond was advised by Minkoff that Pure LLC had (i) made a unauthorized structural alteration to the Pure Property in preparation for the installation of a new walk-in freezer; and (ii) cut the newly installed wall panels and rerouted gas lines servicing the Pure Property.

55. With respect to the unauthorized structural alteration, Pure LLC caused the removal of approximately 40% of the structural member of the laminated wood roof support beam by cutting the same lengthwise.

56. With respect to the gas line, Pure LLC caused the newly installed wall panels to be cut and removed and for the gas line servicing the Pure Property to be rerouted for use with a newly installed hot water heater.

57. At no point did Pure LLC obtain 2441 Bond's prior consent.

58. On or about May 9, 2012, EBA Engineering, Inc. ("EBA") performed a visual inspection of the Pure Property with respect to the unauthorized structural alternation.

59. That same day, EBA provided a written report regarding its findings (the "EBA Report"). The EBA Report concluded that specific remedial work be undertaken in order to ensure the load-carrying capacity of the roof of the Pure Property. Attached as **Exhibit R** is a

true and accurate copy of the EBA Report.

60. On May 16, 2012, 2441 issued a Notice of Default for Non-Monetary Breach for the unauthorized alterations (the "Structural Default Notice"). Attached as **Exhibit S** is a true and accurate copy of the Structural Default Notice.

61. Pure LLC refused to accept delivery of the Federal Express package contain the Structural Default Notice. On or about June 4, 2012, 2441 Bond received the Federal Express package containing the Structural Default Notice with a label from Federal Express indicating that the delivery was refused by Pure LLC. Attached as **Exhibit T** is a true and accurate copy of the envelope for the Structural Default Notice.

62. On or about May 17, 2012, 2441 Bond received a Notice of Violation and Notice to Abate from the Department of Consumer and Regulatory Affairs regarding two (2) violations at the Pure Property (the "DCRA Violation Notice"). Attached hereto as **Exhibit U** is a true and accurate copy of the DCRA Violation Notice.

63. The first violation is for work being performed without a permit, specifically a new awning cover with signage in the Georgetown historic district. *See Exhibit U, DCRA Violation Notice.*

64. The second violation is for illegal construction related to the installation of the new awning cover with signage. *See Exhibit U, DCRA Violation Notice.*

65. A copy of the DCRA Violation Notice was provided to Pure LLC via its counsel on May 17, 2012, along with a demand that Pure LLC address the DCRA Violation Notice and to provide 2441 Bond with copies of any and all correspondence between Pure LLC and DCRA. Attached hereto as **Exhibit V** is a true and accurate copy of the May 17, 2012 letter to counsel for Pure LLC.

66. At no point thereafter has 2441 Bond received any information pertaining to the DCRA Notice of Violation from Pure LLC. At no point thereafter has 2441 Bond received copies of any correspondence pertaining to the DCRA Notice of Violation from Pure LLC.

FACTS RELATED TO GBP LLC

67. On February 13, 2012, 2441 Bond sent a letter via Certified Mail to GBP LLC indicating that, as provided in Section 5.12 of the 3245 Lease, GBP LLC's security deposit had been drawn against in order to pay the balance due on GBP LLC's account and that GBP LLC's account remained overdue in the amount of $3,129.09 (the "GBP Balance Due Notice"). Attached as **Exhibit W** is a true and accurate copy of the GBP Balance Due Notice.

68. Several days later, on or about February 15, 2012, 2441 Bond received the GBP Balance Due Notice back from the United States Postal Service with a notation on the envelope that delivery was "refused 2/14/12." Attached as **Exhibit X** is a true and accurate copy of the envelope for the GBP Security Deposit Notice.

69. On March 1, 2012, based on GBP LLC's failure to cure the default specified in the GBP Balance Due Notice, 2441 Bond provided GBP LLC with notice that the 3245 Lease was terminated and thirty (30) days written notice to quit and vacate the GBP Property (the "1st GBP Termination Notice"). Attached hereto as **Exhibit Y** is a true and accurate copy of the 1st GBP Termination Notice.

70. The 1st GBP Termination Notice was personally served on GBP LLC through its registered agent, Mr. Umbel, on March 3, 2012. Attached hereto as **Exhibit Z** is a true and accurate copy of the Affidavit of Service for the 1st GBP Termination Notice.

71. On March 6, 2012, 2441 Bond issued GBP LLC a Notice of Default for Non-Monetary Breach (the "Omnibus Default Notice"). The Omnibus Default Notice indicated that GBP LLC was in breach of various obligations under the 3245 Lease, including:

a. Failure to provide proof of gross sales;

b. Failure to transfer utilities into the name of GBP LLC;

c. Failure to provide proof of an HVAC maintenance contract;

d. Failure to keep the back stoop and alleyway free of trash and debris;

e. Failure to provide proof of bi-monthly cleaning of the grease trap(s);

f. Failure to provide copies of (i) cleaning contract for grease traps; and (ii) extermination contract;

g. Failure to replenish the security deposit to the minimum level of $5,000.00.

Attached hereto as **Exhibit AA** is a true and accurate copy of the Omnibus Default Notice without attachments.

72. On April 18, 2012, based on GBP's failure to cure certain of the defaults identified in the Omnibus Default Notice, 2441 Bond provided GBP LLC with notice that the 3245 Lease was terminated and thirty (30) days written notice to quit and vacate the GBP Property (the "2nd GBP Termination Notice"). Attached hereto as **Exhibit BB** is a true and accurate copy of the 2nd GBP Termination Notice.

73. The 2nd GBP Termination Notice was personally served on GBP LLC through its registered agent, Mr. Umbel, on April 24, 2012. Attached hereto as **Exhibit CC** is a true and accurate copy of the Affidavit of Service for the 2nd GBP Termination Notice.

74. On April 24, 2012, 2441 Bond sent GBP LLC a demand for payment of tax bills totaling $12,671.45 (the "GBP Tax Letter"). Attached as **Exhibit DD** is a true and accurate copy of the GBP Tax Letter. The GBP Tax Letter explained that the tax bills were for the period of time prior to the rent abatement's commencement and subsequent to the expiration of the rent

abatement.

75. GBP LLC refused to accept delivery of the Federal Express package containing the GBP Tax Letter. Thereafter, 2441 Bond received the Federal Express package containing the GBP Tax Letter with a label from Federal Express indicating that the delivery was refused by GBP LLC. Attached as **Exhibit EE** is a true and accurate copy of the envelope for the GBP Tax Letter.

76. To date, GBP LLC has not responded to the GBP Tax Letter, either by paying the amounts owed or otherwise.

77. GBP LLC continues to incur damages on a monthly basis as a result of GBP LLC's failure to vacate the 3245 Property.

78. On or about June 22, 2012, 2441 Bond received a Notice of Violation from the District of Columbia Department of Public Works ("DPW") regarding illegal dumping of waste in the form of cooking oil and grease from the GBP Property, along with photographs and eyewitness statements (the "Dumping Violation Notice"). Attached hereto as **Exhibit FF** is a true and accurate copy of the Dumping Violation Notice. The Dumping Violation Notice requires that specific remedial action be taken and a fine of $5000.00 was assessed against 2441 Bond.

79. 2441 Bond provided a copy of the Dumping Violation Notice to GBP via its counsel on June 29, 2012, via email and regular mail.

80. The Dumping Violation Notice cites a violation of D.C. Code §8-902 occurred at the GBP Property. *See Exhibit FF, Dumping Violation Notice.*

81. The Inspector Notes in the Dumping Violation Notice reads in full (typos in original):

(Tackle Box Restaurant) Remove ground soiled surface which is contaminated with cooking oil from rear of properties down to alleyway and replace with clean soil and gravel, so it will no longer create a severe nuisance for insects or rodents. Clean alleyway from cooking oil residual run off into the storm drain. NOTE: Area where oil container and waste containers are store Must be kept clean and sanitized to prevent hazardous and or unsafe conditions. Must be maintained on a regular basis. Bait for rodents underneath the rear of storage area. (See additional 3 attachments) witness statements upon request.

See Exhibit FF, Dumping Violation Notice.

82. After not receiving any communication from GBP LLC regarding the Dumping Violation Notice, on July 9, 2012, 2441 Bond filed an Answer and Denial (the "Answer") with the District of Columbia Office of Administrative Hearings and served a copy of the same on counsel for GBP. Attached hereto as **Exhibit GG** is a true and accurate copy of the Answer without attachments.

83. On or about August 6, 2012, counsel for 2441 Bond received a Notice of Hearing and Scheduling Order (the "OAH Dumping Order") from the Office of Administrative Hearings. Attached hereto as **Exhibit HH** is a true and accurate copy of the OAH Dumping Order. A hearing has been set for September 11, 2012 with respect to the Dumping Violation Notice (the "Dumping Litigation").

84. On August 10, 2012, a copy of the OAH Dumping Order was provided to counsel for GBP LLC, Stephen O. Hessler, Esq., via email.

85. On or about August 15, 2012, 2441 Bond filed a Consent Motion to Reschedule Hearing Date ("Motion to Continue") for the Dumping Litigation. Attached hereto as **Exhibit II** is a true and accurate copy of the Motion to Continue.

86. On information and belief, on June 14, 2012, GBP was served with a Notice of Warning for Suspected Prohibited Discharge Violation (the "Water Discharge Notice") at the GBP Property from the District of Columbia Water and Sewer Authority ("DC WASA"). Attached hereto as **Exhibit JJ** is a true and accurate copy of the Water Discharge Notice.

87. Despite communication to GBP LLC's counsel, at no point thereafter has GBP LLC advised 2441 Bond as to how Water Discharge Notice was resolved.

COUNT I
(BREACH OF GUARANTY FOR 3241 LEASE)

88. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 – 87 of the Complaint as if set forth in full.

89. The Guarantors breached the Guaranty by failing to pay rent, late fees, damages and other sums due under the 3241 Lease after Pure LLC failed to do so.

90. Through August 2012, Pure LLC, and by virtue of the Guaranty, the Guarantors, owe 2441 Bond $78,373.55 which represents rent, late fees, damages, attorneys' fees (for time billed through July 31, 2012) and other sums due under the 3241 Lease which were otherwise not paid by Pure LLC.

91. The Guarantors have failed to pay 2441 Bond the sums it is owed under the 3241 Lease.

WHEREFORE, under Count I hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. $78,373.55, which represents rent, late fees, damages, attorneys' fees (billed through July 31, 2012) and other sums due under the 3241 Lease (excluding attorneys' fees for the current action) due under the 3241 Lease through August 2012;

b. To the extent not paid by Pure, LLC, all rent, late fees, damages, attorneys' fees and other sums due under the 3241 Lease and/or damages, in addition to the foregoing amount, which accrues through the date of judgment;

c. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

d. Such other and further relief as the Court deems just and proper.

COUNT II
(WILLFUL DESTRUCTION OF THE PURE PROPERTY)

92. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 - 91 of the Complaint as if set forth in full.

93. At the inception of the 3241 Lease term, the Pure Property was in good order and condition.

94. As of June 17, 2011, the Pure Property was in good order and condition.

95. Pursuant to Section 10.01 of the 3241 Lease, as guarantors of the 3241 Lease, the Guarantors were required to not cause or permit any waste, damage or injury to the Pure Property.

96. Guarantors breached their duty under the 3241 Lease, which they guaranteed, to perform all maintenance, repairs and replacements to preserve the Pure Property in the same condition in which the Pure Property existed at the inception of the 3241 Lease term.

97. Not only did the Guarantors not maintain and repair the Pure Property, the Guarantors permitted Pure LLC to maliciously and in a willful and wanton pattern of destruction, cause damage to the interior of the Pure Property so as to render the same unsafe without

substantial rehabilitation by 2441 Bond.

98. Not only did the Guarantors not maintain and repair the Pure Property, the Guarantors permitted Pure LLC to maliciously and in a willful and wanton pattern of destruction, cause damage to the exterior of the Pure Property, subjecting 2441 Bond to civil liability.

99. Based on Pure LLC and the Guarantors failures described herein, coupled with Pure LLC's refusal to permit 2441 Bond access to the Pure Property to survey the current condition, 2441 Bond will be forced to expend an yet to be determined sum of money to return the Pure Property to the condition in which the Pure Property existed at the inception of the 3241 Lease term.

100. Guarantors owe 2441 Bond an amount to be proven at trial which will be sufficient to return the Pure Property to the condition in which it existed at the inception of the 3241 Lease term.

WHEREFORE, under Count II hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. An amount to be proven at trial as necessary to restore the Pure Property to the condition in which the Pure Property existed at the inception of the 3241 Lease;

b. Punitive damages in the amount of $100,000.00;

c. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

d. Such other and further relief as the Court deems just and proper.

COUNT III
(WASTE AS TO PURE PROPERTY)

101. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 - 100 of the Complaint as if set forth in full.

102. The Guarantors breached their duty under the 3241 Lease to ensure that Pure LLC performed all maintenance, repairs and replacements to preserve the Pure Property in the same condition in which the Pure Property existed at the inception of the 3241 Lease term.

103. Not only did the Guarantors not maintain and repair the Pure Property, the Guarantors maliciously and in a willful and wanton pattern of destruction, damaged the interior of the Pure Property so as to render the same unsafe without substantial rehabilitation by 2441 Bond.

104. Not only did the Guarantors not maintain and repair the Pure Property, the Guarantors permitted Pure LLC to maliciously and in a willful and wanton pattern of destruction, cause damage to the exterior of the Pure Property, subjecting 2441 Bond to civil liability.

105. Based on Pure LLC and the Guarantors' failures described herein, coupled with Pure LLC's refusal to permit 2441 Bond access to the Pure Property to survey the current condition, 2441 Bond will be forced to expend an yet to be determined sum of money to return the Pure Property to the condition in which the Pure Property existed at the inception of the 3241 Lease term.

106. Guarantors owe 2441 Bond an amount to be proven at trial which will be sufficient to return the Pure Property to the condition in which it existed at the inception of the 3241 Lease term.

WHEREFORE, under Count III hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. An amount to be proven at trial as necessary to restore the Pure Property to the condition in which the Pure Property existed at the inception of the 3241 Lease;

b. Punitive damages in the amount of $100,000.00;

c. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

d. Such other and further relief as the Court deems just and proper.

COUNT IV
(BREACH OF GUARANTY FOR 3245 LEASE)

107. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 - 106 of the Complaint as if set forth in full.

108. The Guarantors breached the Guaranty by failing to ensure the full and prompt performance of GBP LLC's obligations under the 3245 Lease, including, without limitation, prompt payment of rent, late fees, damages, attorneys' fees and other sums due under the 3245 Lease after GBP LLC failed to do so.

109. Through August 2012, by virtue of the Guaranty, the Guarantors, owe 2441 Bond $21,459.56 which represents rent, late fees, damages and other sums due under the 3245 Lease.

110. The Guarantors have failed to pay 2441 Bond the sums it is owed under the 3245 Lease.

WHEREFORE, under Count IV hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. $21,459.56, which represents rent, late fees, damages, attorneys' fees (for time billed through July 31, 2012) and other sums (excluding attorneys' fees for the current action) due under the 3245 Lease through August 2012;

b. To the extent not paid by GBP, LLC, all rent, late fees, damages, additional rent and other sums due under the 3245 Lease and/or damages, in addition to the foregoing amount, which accrues through the date of judgment;

c. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

d. Such other and further relief as the Court deems just and proper.

COUNT V
(WASTE AS TO GBP PROPERTY)

111. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 - 110 of the Complaint as if set forth in full.

112. The Guarantors breached their duty under the 3245 Lease to ensure that GBP LLC performed all maintenance, repairs and replacements to preserve the GBP Property in the same condition in which the GBP Property existed at the inception of the 3245 Lease term.

113. Not only did the Guarantors not maintain and repair the GBP Property, the Guarantors maliciously and in a willful and wanton pattern of disregard and destruction, allowed the GBP Property to be maintained in a manner contrary to the terms of the 3245 Lease by not ensuring Pure LLC had the required maintenance and cleaning contracts.

114. Based on GBP LLC and the Guarantors' failures described herein, coupled with GBP LLC's refusal to permit 2441 Bond access to the GBP Property to survey the current condition, 2441 Bond will be forced to expend an yet to be determined sum of money to return the GBP Property to the condition in which the GBP Property existed at the inception of the 3245 Lease term.

115. Guarantors owe 2441 Bond an amount to be proven at trial which will be sufficient to return the Pure Property to the condition in which it existed at the inception of the 3241 Lease term.

WHEREFORE, under Count V hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. An amount to be proven at trial as necessary to restore the GBP Property to the condition in which the GBP Property existed at the inception of the 3245 Lease;

b. Punitive damages in the amount of $100,000.00;

c. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

d. Such other and further relief as the Court deems just and proper.

COUNT VI
AS TO DEFENDANT GBP LLC ONLY
(WRONGFUL INVOLVEMENT IN LITIGATION)

116. 2441 Bond re-alleges and incorporates by reference the allegations set forth in Paragraphs 1 - 115 of the Complaint as if set forth in full.

117. GBP LLC illegally dumped waste, including, without limitation, cooking grease and oil, in the rear of the GBP Property, with such runoff entering private property not belonging to GBP LLC and also creating a health hazard and a severe nuisance for insects or rodents.

118. As a result of the illegal and tortious acts of GBP LLC, 2441 Bond fined $5,000.00 and ordered to take specific abatement action by DPW.

119. As a result of the illegal and tortious acts of GBP LLC, 2441 Bond denied the allegations in the OAH Dumping Notice and was ultimately named as a respondent the Dumping Litigation.

120. GBP LLC is not a party to the Dumping Litigation.

121. As a result of the Dumping Litigation, 2441 Bond has incurred attorneys' fees in connection with mounting a defense to the Dumping Violation Notice.

122. The Guarantors, by virtue of the Guaranty are responsible for the full and prompt performance of GBP LLC's obligations under the 3245 Lease, including, without limitation, payment of attorneys' fees.

WHEREFORE, under Count VI hereof, Plaintiff 2441 Bond St Equities, LLC prays that the Court enter judgment in its favor and against Defendants Jonathan Umbel and Bethany Umbel, jointly and severally, for:

a. An award of the attorneys' fees and costs incurred by 2441 Bond in connection with the Dumping Litigation;

b. 2441 Bond's reasonable attorneys' fees and costs incurred herein; and

c. Such other and further relief as the Court deems just and proper.

Respectfully submitted,

GREENSTEIN DELORME & LUCHS, PC

Dated: August 17, 2012

Richard W. Luchs (D.C. Bar No. 243931)
Joshua M. Greenberg (D.C. Bar No. 489323)
1620 L Street, N.W.
Suite 900
Washington, DC 20036-5605
Telephone: (202) 452-1400
Facsimile: (202) 452-1410
Email: rwl@gdllaw.com or jmg@gdllaw.com

Counsel for Plaintiff 2441 Bond St Equities, LLC

EXHIBIT A



PURE HOSPITALITY, LLC - Initial File Number: L28133

Main Reports Trade Names

Entity Info

Entity Id 2883731

Key Indicators

Model Type	Limited Liability Company
Locale	Domestic
Qualifier	None
Business Name	PURE HOSPITALITY,
Suffix	LLC
Registration Date	4/24/2006
Entity Status	Active
Foreign Name	NA
Date of Organization	4/24/2006
State	District of Columbia
Country	USA

Business Address

Line1 LEGACY NO DATA
Line2

City LEGACY NO DATA State District of Columbia Zip 00000

Agent

Is non-commercial Registered Agent?	Yes
Name	JONATHAN UMBEL

Address

Line1 6600 32ND PLACE, N.W
Line2

City Washington State District of Columbia Zip 20015-0000

Email Unavailable@NoLegacyData.com

Return to Home



GBP LLC - Initial File Number: L27934

Main Reports Trade Names

Entity Info

Entity Id 2885405

Key Indicators

Model Type	Limited Liability Company
Locale	Domestic
Qualifier	None
Business Name	GBP
Suffix	LLC
Registration Date	4/07/2006
Entity Status	Active
Foreign Name	NA
Date of Organization	4/07/2006
State	District of Columbia
Country	USA

Business Address

Line1 LEGACY NO DATA

Line2

City LEGACY NO DATA State District of Columbia Zip 00000

Agent

Is non-commercial Registered Agent? Yes

Name JONATHAN UMBEL

Address

Line1 6600 32ND PLACE NW

Line2

City Washington State District of Columbia Zip 20015-0000

Email Unavailable@NoLegacyData.com

Return to Home

EXHIBIT B

AFTER RECORDING,
PLEASE RETURN TO:

Todd S. Deckelbaum
Vice President
SETTLEMENTCORP
5301 Wisconsin Avenue, N.W. #710
Washington, D.C. 20015
S-6762

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made and entered into on this day 14th of September, 2010, by and between (i) **MST LLC** ("Grantor"), whose address is c/o Frederick Tansill, Esq., Frederick J. Tansill & Associates, LLC, 6723 Whittier Avenue, Suite 104, McLean, Virginia 22101-4533, and (ii) **2441 Bond St Equities, LLC**, a Delaware limited liability company (the "Grantee"), whose address is c/o Wexford Capital L.P., 411 West Putnam Avenue, Greenwich, Connecticut 06830.

WITNESSETH:

In consideration of Two Million Six Hundred Thousand Dollars ($2,600,000.00), the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL and CONVEY, with Special Warranty, unto Grantee, as sole owner, its successors and assigns, in fee simple, the parcel of land located in the District of Columbia, described on Exhibit A attached hereto.

TOGETHER with all buildings, fixtures and other improvements located in or on such parcel of land; and

TOGETHER with all easements, rights-of-way, appurtenances, licenses and privileges belonging or appurtenant to such land; and

TOGETHER with all mineral, gas, oil and water rights, sewer rights, other utility rights, and development rights now or hereafter allocated or allocable to such land; and

TOGETHER with all right, title and interest of Grantor in and to any land lying in the bed of any street, road, avenue or alley, open or closed, adjacent to such land, to the center line thereof.

TO HAVE AND TO HOLD all of the aforesaid property (collectively, the "Property") unto the use and benefit of Grantee, its successors and assigns, in fee simple forever.

This conveyance is expressly made subject only to the easements, covenants, conditions and restrictions set forth on Exhibit B.

Grantor covenants to specially warrant the Property hereby conveyed, that it has the right to convey the Property to Grantee and that Grantor will execute such further assurances of the Property as may be requisite.

IN WITNESS WHEREOF, the Grantor has on this 14th day of September, 2010, caused this deed to be executed by Paul L. Sweeney, Jr. and Henry A. Sweeney, its Managing Members, and acknowledges and delivers these presents in their capacity as Managing Member of MST LLC as its act and deed, the Grantor herein. In witness whereof, we have hereunto set our hand and official seal.

GRANTOR:

MST LLC, a District of Columbia limited liability company

By: _____ (SEAL) 09-14-10
Name: Paul L. Sweeny, Jr.
Title: Managing Member

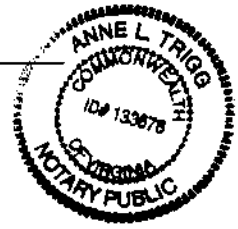
By: _____ 9/17/2010 (SEAL)
Name: Henry A. Sweeny
Title: Managing Member

Commonwealth of Virginia
County of Fairfax, to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Paul L. Sweeny, Jr., Co-Managing Member of MST, LLC, a District of Columbia limited liability company, whose name is signed to the foregoing annexed Special Warranty Deed bearing date on the 14th day of September, 2010, and who is known to me to be the person named therein, did personally appear before me this day and acknowledge the same to be the act and deed of MST LLC, as the Co-Managing Member thereof.

GIVEN under my hand and seal this 14th day of September, 2010.

Anne L. Trigg
NOTARY PUBLIC



My Commission Expires: 07/31/2012

State of Florida
County of Marion, to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Henry A. Sweeny, Co-Managing Member of MST, LLC, a District of Columbia limited liability company, whose name is signed to the foregoing annexed Special Warranty Deed bearing date on the 17th day of September, 2010, and who is known to me to be the person named therein, did personally appear before me this day and acknowledge the same to be the act and deed of MST LLC, as the Co-Managing Member thereof.

GIVEN under my hand and seal this 17th day of September, 2010.

Cynthia Denise Guenette
NOTARY PUBLIC

My Commission Expires: May 11th 2011

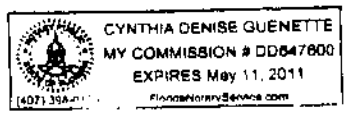


EXHIBIT A
TO
SPECIAL WARRANTY DEED

(Legal Description)

Lot numbered Ninety-Eight in Fannie B. Gunnell's subdivision of part of Lot numbered Fifteen (15) in Square numbered Twelve Hundred and Seven (1207), as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 24 at folio 54; said Lot 98 subject to a perpetual right of way for alley purposes for the benefit of Lot 99; over the following described part of said Lot 98; beginning for the same at the Southwest corner of Lot 98, and running thence North along the West line thereof, 45.79 feet; thence East 3.37 feet; thence South 45.79 feet to the South line of said Lot 98; thence West with said South line, 3.37 feet to the place of beginning.

Being Lot 98 of the same property described in Instrument Number 2000075169 among the said Land Records.

Now known for assessment and taxation purposes as Square 1207, Lot 98.

EXHIBIT B
TO
SPECIAL WARRANTY DEED

(Easements, Covenants, Conditions and Restrictions)

All the exceptions, easements, covenants, agreements and other matters of record affecting the Property.

Receipt# 1076005

LARRY TODD
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS
1101 4TH STREET SW
SUITE W 500
WASHINGTON, DC
20024-
(202) 727-5374

Doc# 2010004184 Pgs: 5
Doc Type: DEED BSA

RECORDING	$	41.00
RECORDATION TAX FEE	$	37,700.00
SURCHARGE	$	6.50
TRANSFER TAX FEE	$	37,700.00

Total	$	75,447.50
Check Amt. Tendered	$	75,447.50
Change Due	$	0.00
Balance	$	0.00

Check Number		Amount
23588	$	75,400.00
23578	$	47.50

Total Documents: 1
Total Fees: 4

Client Name SETTLEMENT CORP
09/28/2010 10:47:59 AM

Cashier: CARLAB

EXHIBIT C

LEASE

BETWEEN

2441 Bond St Equities, LLC,
LANDLORD

AND

Pure Hospitality, LLC
D/B/A Hook
TENANT

3241 M Street

Georgetown, Washington, DC

DATE: 9/28/10

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LEASE AGREEMENT

This Lease Agreement (the "Lease") is made this 28 day of SEPT, 2010, by and between 2441 Bond St Equities, LLC, a Delaware limited liability company ("Landlord"), and Pure Hospitality, LLC, a District of Columbia limited liability company d/b/a Hook ("Tenant").

IN CONSIDERATION of the payments of rents and other charges provided for herein and the covenants and conditions hereinafter set forth, Landlord and Tenant hereby covenant and agree as follows:

Article 1.

REFERENCE PROVISIONS, DEFINITIONS AND EXHIBITS

Section 1.01. General Provisions and Definitions. The following definitions and terms may be referred to throughout the Lease:

A. Premises: The real property and the building situated thereon commonly referred to as 3241 M Street NW in the Georgetown Area of Washington, D.C., as legally described or otherwise depicted on Exhibit A, comprising approximately 5,092 square feet of useable space including two floors above grade and a basement. The parties acknowledge and agree that a portion of the Premises is located on the adjoining lot located at 3245 M Street NW (the "3245 Property"). Landlord represents and warrants to Tenant that, at such time as the contingency set forth in Section 1.01(L) below shall have been removed, Landlord (or Landlord's affiliate) will own the 3245 Property (such owner being the "3245 Owner"). Notwithstanding anything to the contrary, Landlord will cause the 3245 Owner to: (i) allow Tenant to use that portion of the Premises located on the 3245 Property without additional rent obligations (i.e., rent in addition to that payable under this Lease); and (ii) prior to transferring its interest in the 3245 Property, obtain the agreement of any transferee of the 3245 Property to the provisions of subsection (i) above.

B. Term: 10 Lease Years from the Term Commencement Date, subject to any termination rights described herein.

C. Options to Extend the Term: One (1) option of five (5) years, subject to the terms of Section 3.04.

D. Minimum Rent:

Beginning on the Term Commencement Date and for the first Lease Year, Tenant shall pay Minimum Rent in the annual amount of Two Hundred Thousand and 00/100 Dollars ($200,000.00), which shall be payable monthly in the amount of Sixteen Thousand Six Hundred Sixty Six and 67/100 Dollars ($16,666.67), on the first day of each month during the Term. After the first Lease Year, Minimum Rent shall be adjusted annually beginning with the second Lease Year and on the anniversary of each Lease Year thereafter by increasing the Minimum Rent by three percent (3%). The foregoing is illustrated in the following rent schedule:

Lease Year	Minimum Rent (Annual)	Monthly Payment
1	$200,000.00	$16,666.67
2	$206,000.00	$17,166.67
3	$212,180.00	$17,681.67
4	$218,545.40	$18,212.12
5	$225,101.76	$18,758.48
6*	$231,854.81*	$19,321.23*
7	$238,810.46	$19,900.87
8	$245,974.77	$20,497.90
9	$253,354.02	$21,112.84
10	$260,954.64	$21,746.22

*Subject to Section 3.05 below.

E. Security Deposit: Ninety-Two Thousand and 00/100 Dollars ($92,000), subject to the terms and conditions of Section 5.12 below.

F. Permitted Use: The operation of an up-scale, full-service restaurant with a full bar and private dining room and for no other use without Landlord's written consent.

G. Store Hours: Tenant shall open its business during the hours of at least 11:00 a.m. to 10:00 p.m. Sunday through Thursday and 11:00 a.m. to midnight Friday and Saturday; provided Tenant may close for: (i)Thanksgiving Day, Christmas Day and New Years Day; (ii) inclement weather; (iii) reasonable periods for renovation; or (iv) in connection with a casualty or other force majeure event.

H. Address for Rent Payments: The rent payments due herein shall be made payable to Landlord and addressed as follows:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, N.W. Suite 515
Washington, D.C. 20037

I. Notice Addresses:

TO LANDLORD:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, N.W., Suite 515
Washington, D.C. 20037

And

TO TENANT:

At the Premises

J. Tenant's Trade Name: Hook.

K. Delivery Date: Tenant shall be deemed to have taken possession on the same date as the Term Commencement Date.

L. Term Commencement Date: The date that Landlord closes on its transaction to acquire the Premises pursuant to that certain Purchase and Sale Agreement dated April 30, 2010, as assigned to Landlord pursuant to that certain Assignment of Purchase and Sale agreements dated June 25, 2010. Landlord shall give Tenant five (5) days written notice of the closing date. The parties acknowledge and agree that Tenant is currently in possession of the Premises pursuant to a lease (the "Existing Lease") with the existing owner of the Premises. For the avoidance of doubt, the Landlord and Tenant will enter into a termination agreement that terminates the Existing Lease simultaneously with the date that this Lease becomes effective. At Landlord's request, Tenant shall within ten (10) days after request therefor, execute a confirmation of the Term Commencement Date, and the expiration date of the Lease in the form set forth on Exhibit H attached hereto. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Landlord does not close on its acquisition of the Premises prior to December 31, 2010, this Lease shall automatically terminate and be of no further force and effect and neither party shall have any obligations hereunder.

M. Termination Date: The last day of the Term, or the earlier date on which this Lease is terminated in accordance with the provisions hereof.

N. Percentage Rent: As described in Section 5.03.

O. Brokers: None

P. Schedules and Exhibits: The schedules and exhibits listed below are attached to the Lease and are hereby incorporated in and made a part of the Lease.

Exhibit A	Depiction of Premises and/or Legal Description
Exhibit B	Guaranty
Exhibit C	Certificate of Lease Commencement Date
Exhibit D	Gross Sales Report Form

Q. Interest Rate: A rate per annum of twelve and one-half percent (12.5%).

R. Lease Year: Each twelve (12) month period beginning with the Term Commencement Date, and each anniversary thereof, if the Term Commencement Date occurs on the first day of a month. If the Term Commencement Date occurs on a day other than the first day of a month, then the first Lease Year shall begin on the first day of the month following the Term Commencement Date, and all Rent payable from the Term Commencement Date through the last day of such partial calendar month shall be prorated on a per diem basis.

S. Partial Lease Year: Any period during the Term which is less than a full Lease Year.

T. Person: An individual, firm, partnership, association, corporation, limited liability company, or any other entity.

U. Additional Rent: All sums payable by Tenant to Landlord under the Lease other than Minimum Rent and Percentage Rent.

V. Rent: Minimum Rent, Percentage Rent plus Additional Rent.

W. Tax Year: A twelve (12) month period established by Landlord as the year for purposes of computing Taxes. The Tax Year may or may not coincide with a Lease Year or the period designated as the tax year by the taxing authorities having jurisdiction over the Premises.

X. Guarantors: Jonathan Umbel and Bethany Umbel. The Guarantors shall guaranty to Landlord the full performance of all of the Tenant's obligations under this Lease (subject to the limitations contained in the Guaranty); and in furtherance thereof, Guarantors shall provide Landlord with a guaranty in the form set forth on Exhibit B hereof duly executed by the Guarantors simultaneously with Tenant's execution of the Lease.

Article 2.

PREMISES AND THE BUILDING

Section 2.01. As of the Term Commencement Date, Landlord demises and leases to Tenant, and Tenant leases and takes from Landlord, the Premises. If applicable, the Premises shall include any loading dock or trash area designated exclusively for Tenant's use.

Article 3.

TERM

Section 3.01. Term.

Subject to Section 1.01(L), the Term shall commence on the Term Commencement Date and expire on the Termination Date.

Section 3.02. End of Term.

This Lease shall terminate on the Termination Date without the necessity of notice from either Landlord or Tenant. Upon the Termination Date, Tenant shall quit and surrender to Landlord the Premises, broom-clean, in good order and condition, ordinary wear and tear and damage due to casualty excepted; and shall surrender to Landlord all keys to or for the Premises.

Section 3.03. Holding Over.

If Tenant fails to vacate the Premises on the Termination Date, Landlord shall have the benefit of all provisions of law respecting the speedy recovery of possession of the Premises (whether by summary proceedings or otherwise). In addition to and not in limitation of the foregoing, occupancy subsequent to the Termination Date ("Holdover Occupancy") shall be a tenancy at will. Holdover Occupancy shall be subject to all terms, covenants, and conditions of the Lease (including, but not limited to, those requiring payment of Additional Rent), except that: (i) at any time prior to such time as Landlord exercises its option to terminate this Lease pursuant to Section 3.05 below (including any holdover in connection with the surrender of the Premises in connection with the exercise of such right), the Minimum Rent for each day that Tenant holds over shall be equal to the sum of: (a) two hundred percent (200%) of the per diem Minimum Rent otherwise payable in the last Lease Year; plus (b) the average per diem Percentage Rent payable during the twelve month period preceding the Termination Date and (ii) at any time after such time as Landlord exercises its option to terminate this Lease pursuant to Section 3.05 and Tenant thereafter vitiates such termination pursuant to Section 3.05, then the Minimum Rent for each day that Tenant holds over shall be equal to the sum of: (A) one hundred fifty percent (150%) of the per diem Minimum Rent otherwise payable in the last Lease Year; plus (B) the average per diem Percentage Rent payable during the twelve month period preceding the Termination Date. Landlord also shall be entitled to recover all damages, including, but not limited to, lost business opportunity, regarding any prospective tenant(s) for the Premises, suffered by Landlord as a result of Tenant's Holdover Occupancy.

Section 3.04. Option to Extend.

Provided that Tenant is the tenant in occupancy of the entire Premises and has not sublet, assigned or otherwise transferred its interest in this Lease or the Premises except in connection with a transfer to an Affiliated Party or to an assignee that Landlord has provided its consent pursuant to the provisions of Section 14.01, Tenant shall have the option to extend the Term hereof for one (1) additional period of five (5) years (the "Option Period"), subject to the following terms and conditions:

a. Tenant may exercise such option by giving Landlord written notice, via certified mail-return receipt requested, of its intent to exercise the applicable option, such notice to be received by Landlord at least nine (9) months but no more than twelve (12) months prior to the expiration of the original Term, **TIME BEING OF THE ESSENCE**.

b. At the time of exercise or, at Landlord's election, at any time thereafter until the expiration of the original Term, (i) Tenant is not in Default under any of its obligations under the Lease (after consideration of any applicable notice and cure period), and (ii) Tenant is operating a business in the Premises in accordance with the Permitted Use.

c. Landlord and Tenant shall enter into an Amendment to Lease on Landlord's standard form no less than six months prior to the expiration of the then effective term evidencing (i) Tenant's exercise of its option, and (ii) the applicable Minimum Rent payable during the Option Period (as defined below).

d. [Intentionally Deleted]

e. All other terms and conditions of this Lease shall remain unchanged and apply during the applicable Option Period except that (i) Tenant shall have no additional Option Period other than the one (1) Option Period described in this Section 3.04, (ii) Landlord shall have no obligation to provide any improvement allowance or perform any improvements to the Premises, and (iii) the Minimum Rent in the first Lease Year of each such Option Period shall be the greater of (x) 103% of the Minimum Rent payable in the Lease Year preceding such Option Period or (y) the Minimum Rent reasonably determined by the Three Broker Method as described below. After determination of the Minimum Rent for the first Lease of the Option Period, Minimum Rent shall increase by three percent (3%) for each Lease Year thereafter during the Option Period.

f. If such option is not timely exercised, Tenant's right to renew shall expire and the Lease shall terminate at the end of the original Term.

g. Three Broker Method. The "Three Broker Method" used to determine Minimum Rent for the Option Period Minimum Rent (and in connection with the "Vitiation Notice", as defined below) shall be applied in the following manner. Landlord shall no later than 45 days and no earlier than 70 days before such calculation of fair market value is needed to account for a Minimum Rent adjustment initiate a determination of the fair market rental value by delivering written notice to Tenant of the name of a real estate broker who has at least five (5) years of experience as a broker for the leasing of retail space in the Georgetown area of Washington, D.C. Within ten (10) days after receipt of such notice, the Tenant shall provide Landlord with the name of a real estate broker who meets the same criteria by written notice. If Tenant fails to name such a broker within such period, then the fair market rental value established by the broker named by the Landlord shall be the rental rate. If the Tenant does name such a broker, then within fifteen (15) days the two brokers shall together appoint a third broker who meets the same criteria and within an additional fifteen (15) days the three brokers shall jointly determine the fair market rental value inclusive of escalations (which shall be at the rate no less than three percent (3%) each year).

In determining fair market rental value, the brokers shall each review comparable per square foot market rents and concessions then being paid by or provided to other tenants under new lease agreements for comparable spaces within a 1 block radius of the intersection of M street and Wisconsin Ave. (the use of the tenants shall be considered irrelevant, i.e. the brokers should use all retail comparables available to them and NOT only restaurants). Notwithstanding anything to the contrary, Landlord shall have no obligation to provide any then prevailing market concessions, provided that if the Landlord will not offer then prevailing market concessions, then fair market rental value will be appropriately discounted. The determination of fair market rent will also include the payment by Tenant of the Percentage Rent fixed herein. If the three brokers cannot agree, the determination of the broker who is between the two extremes shall be binding and conclusive. Each party shall pay all costs, fees and expenses of the broker they select and the parties shall share equally the costs, fees and expenses of the third broker.

Section 3.05. Landlord Termination Right.

Notwithstanding anything in this Lease to the contrary, Landlord shall have the right, exercisable at Landlord's sole option, to terminate this Lease, said right of Landlord to be exercisable by giving written notice thereof (the "Termination Notice") to Tenant, which Termination Notice shall set forth a date of termination (the "Termination Date") which is specified to be any date after the expiration of the fifth (5^{th}) Lease Year and which Termination Notice shall be given, if at all, at least twelve (12) months prior to the Termination Date specified in the Termination Notice. In the event that Landlord exercises its termination option hereunder, this Lease shall continue in full force and effect until the Termination Date, whereupon Tenant shall surrender possession of the Premises in accordance with the provisions of this Lease, this Lease shall terminate with respect to the Premises as if the Termination Date were the date for expiration of this Lease as set forth herein, and all Minimum Annual Rent and Additional Rent shall be prorated as of the Termination Date, and neither party shall have any obligations hereunder accruing after the Termination Date except for obligations expressly stated in this Lease to survive its termination. Notwithstanding the foregoing, Tenant shall have the right to vitiate Landlord's exercise of Landlord's termination right by providing Landlord written notice (the "Vitiation Notice") within thirty (30) days of Tenant's receipt of the Termination Notice. In such event, the parties hereby acknowledge and agree that: (i) this Lease shall continue in full force and effect notwithstanding Landlord's exercise of Landlord's termination right; and (ii) effective as of the Termination Date originally set forth in Landlord's Termination Notice, the Minimum Annual Rent payable by Tenant hereunder will be modified to be the then fair market rental value of the Premises. The then fair market rental value of the Premises will be determined by the Three Broker Method pursuant to the provisions of Section 3.04(g) above.

Article 4.

USE AND OPERATION OF THE PREMISES

Section 4.01. Continuous Operation by Tenant.

A. Tenant shall: (i) open the Premises for business within thirty (30) days after the Term Commencement Date; (ii) employ reputable business standards and practices; and (iii) operate the entire Premises continuously and uninterruptedly during the Term for at least those hours and days specified in Section 1.01 above. Tenant shall use for storage and office space only those areas applicable to same in the basement of the Premises.

B. If Tenant violates this Section 4.01 and: (i) Landlord or any Landlord affiliate owns at least two (2) other properties within two (2) blocks of the Premises (other than the 3245 Property), then Tenant shall pay to Landlord, upon demand, in addition to Rent and any other charges under this Lease, liquidated damages (and not as a penalty) in an amount equal to the per diem Minimum Rent otherwise payable for each day such violation continues; or,(ii) Landlord or any Landlord affiliate does not own at least two (2) other properties within two (2) block of the Premises (other than the 3245 Property), then Tenant shall pay to Landlord, upon demand, in addition to Rent and any other charges under this Lease, liquidated damages (and not as a penalty) in an amount equal to ten percent (10%) of the per diem Minimum Rent otherwise payable for each day such violation continues. Payment of such sums is intended to be only a partial and temporary remedy for Landlord during the continuance of such violation, and shall not relieve Tenant of any obligation under the Lease, excuse any default or waive Landlord's other remedies therefor. Tenant acknowledges and agrees that if it breaches Section 4.01.A., Landlord shall be deprived of an important right under this Lease, and as a result thereof, will suffer damages in an amount which is not readily ascertainable, and that the foregoing is a reasonable and equitable determination of the actual damages Landlord shall suffer as a result of Tenant's breach.

Section 4.02. Use and Trade Name.

A. Tenant shall use the Premises solely for the Permitted Use set forth above and for no other purpose whatsoever without the prior written consent of Landlord. Tenant shall operate its business in the Premises solely under the Tenant Trade Name and under no other name without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

B. Tenant shall comply with all present and future laws, statutes, ordinances (including zoning ordinances and land use requirements), rules, regulations, codes and orders of any federal, state or local governmental entity, and any other quasi or quasi-public authority having jurisdiction over the building including without a limitation to those pertaining to Hazardous Materials and the Americans with Disabilities Act ("Laws") affecting the Premises or arising from Tenant's particular use or alterations thereof and all the orders or recommendations of any insurance underwriters, safety engineers, and loss prevention consultants as may from time to time be consulted by Landlord. Subject to Article 10, Tenant shall perform, at its sole cost and expense, all alterations to the Premises as are required to comply with all Laws. In no event shall Tenant use or permit its guests, invitees, employees, assignees or subtenants to use the Premises in any manner which is prohibited by Laws. Tenant acknowledges and agrees it is solely responsible for determining if its business complies with the applicable zoning or other regulations, and that Landlord makes no representation (explicit or implied) concerning such zoning or other regulations. Tenant shall, at is sole cost and expense, procure each and every permit, license or other authorization (including a certificate of occupancy) and any renewals, extensions or continuances of the same as required for Tenant's use and occupancy of the Premises and Tenant's conduct of its business operations. The parties acknowledge and agree that the Tenant's existing use of the Premises will be deemed to satisfy the requirements of this Section as between Landlord and Tenant.

Section 4.03. Signs and Advertising.

A. Any sign, placard, decoration, lettering, advertising matter or descriptive material ("Signs") installed by Tenant shall be in accordance with (i) any applicable sign Laws and (ii) shall also be subject to Landlord's prior written approval. Landlord approves of all signage existing in the Premises as of the date hereof. Tenant shall obtain and pay for all Sign permits required for Tenant's Signs.

B. Tenant shall maintain all Signs in first class condition, operating order and repair at all times. Tenant shall repair any Signs that have been damaged within five (5) days after such damage occurs. If Tenant fails to repair any of its Signs as specified above, and such failure continues for a period of three (3) business days following notice from Landlord, Landlord shall have the right to make such repairs on Tenant's behalf and at Tenant's sole cost and expense. Upon demand, Tenant shall pay Landlord, as Additional Rent, all costs incurred by Landlord to (i) remove any Signs which violate the provisions of this Section 4.04 or (ii) make those repairs Tenant has failed to make.

Section 4.04. No Hazardous Materials.

Tenant shall not conduct or permit in the Premises either the generation, treatment, storage or disposal of any hazardous wastes or toxic substances of any kind as defined in the Comprehensive Environmental Response, Compensation and Liability Act or any other present or future federal, state, county or local laws or regulations concerning environmental protection, and to prohibit its assignees and

subleases and employees, agents and contractors (collectively "Permittees") from doing so; and Tenant shall indemnify, defend and hold Landlord and its agents and partners harmless from all loss; costs, foreseeable and unforeseeable, direct or consequential; damages; liability; fines; prosecutions, judgments, litigation; and expenses, including but not limited to clean-up costs and reasonable attorneys' fees arising out of any violation of the provisions of this Section by Tenant its employees, agents or its Permittees.

Section 4.05. Tenant's Use of Roof.

Tenant shall not use or penetrate the ceiling of the Premises and/or the roof of the building in which the Premises is located and/or building for any purpose without Landlord's consent. Landlord may at any time relocate any of the equipment whether or not serving the Premises which is located on the roof of the Premises or the building, provided such relocation does not materially adversely interfere with Tenant's use and occupancy of the Premises.

Section 4.06. Radius Restriction Limit.

Jonathan Umbel, Bethany Umbel and Tenant (and if Tenant is not an individual, then its officers, directors, members (having more than a ten percent (10%) ownership interest), stockholders [unless Tenant is a publicly held company], affiliates and partners) shall not directly or indirectly operate, manage, or have any interest in, any other restaurant store or business carrying the same or similar menu (concept, price point) within Georgetown, the West End, Foggy Bottom and Glover Park (the "Radius Area"). For the avoidance of doubt, the Radius Area is bounded by Calvert Street/Observatory Circle to the North, the Potomac River to the South, Foxhall Road to the West and Mass. Ave. to 21st. St. to the East. The parties hereby agree that this restriction shall terminate at such time as the existing restaurant concept terminates operations at the Premises (i.e., if the Premises is operated by a different concept, then Tenant shall not be prohibited from opening in the restricted area). If this covenant is breached, Landlord may (i) seek mandatory injunctive relief enjoining the operation of the violating store or business; and (ii) as partial and temporary liquidated damages, include all gross sales generated by any violating store or business in calculating the Gross Sales under this Lease, in which event the terms and conditions set forth in Sections 5.03 through 5.06 shall also apply to the business of such violating store or business. Tenant represents that by entering into this Lease it will not breach or violate any restriction by which it is bound under any other lease or agreement to any other Person.

Article 5.

RENT

Section 5.01. Rent Payable.

A. Tenant shall pay all Rent to Landlord, without prior notice or demand and without offset, deduction or counterclaim whatsoever, in the amounts, at the rates and times set forth herein, and at such place as is provided in Section 1.01, or at such other place as Landlord may from time to time designate by notice to Tenant. Notwithstanding the foregoing, in the event that Tenant does not receive full credit (whether through payment or application) of that certain obligation set forth in Section 4 of that certain letter agreement dated September 28, 2010 by and among certain interested parties in Landlord and Tenant, then Tenant may, upon thirty (30) days prior written notice to Landlord, off-set its obligation to pay Rent by the amount of such failure.

B. If Tenant fails to make any payment of Rent within ten (10) days from the date that such Rent is due, Tenant shall pay Landlord a late payment charge equal to the greater of (i) five percent (5%) of such payment of Rent, or (ii) Twenty Dollars ($20.00) per day from the date such Rent is due until the date such Rent is received. Payment of such late charge shall not excuse or waive the late payment of Rent. Notwithstanding the foregoing, on the first instance of any failure of Tenant to pay any Rent due in any calendar year, a late charge will not be assessed if Tenant pays the applicable amount due within five (5) business days of receipt of written notice from Landlord to Tenant regarding the existence of such failure; it being agreed that for purposes of this sentence, written notice will be deemed to include notice via e-mail to jsumbel@comcast.net, provided that a copy of such e-mail is simultaneously provided to skok@gyfb.com.

C. If Landlord receives one (1) or more checks from Tenant that are dishonored by Tenant's bank, all checks for Rent thereafter shall be bank certified and Landlord shall not be required to accept checks except in such form. Tenant shall pay Landlord any bank service charges resulting from dishonored checks, plus Fifty Dollars ($50.00) for each dishonored check as compensation to Landlord for the additional cost of processing such check.

D. Any payment by Tenant of less than the total Rent due shall be treated as a payment on account. Acceptance of any check bearing an endorsement, or accompanied by a letter stating, that such amount constitutes "payment in full" (or terms of similar import) shall not be an accord and satisfaction or act as a novation, and such statement shall be given no effect. Any acceptance of any check by Landlord shall be without prejudice to any rights or remedies which Landlord may have against Tenant.

E. For any partial calendar month at the beginning of the Term, Tenant shall pay in advance on or prior to the Term Commencement Date, the pro-rated amount of the Rent for each day included in such portion of the month.

Section 5.02. Payment of Minimum Rent.

Tenant shall pay Landlord the Minimum Rent in equal monthly installments, in advance, commencing on the Term Commencement Date, and on the first day of each calendar month thereafter throughout the Term as the same is to be increased each Lease Year in accordance with Section 1.01 above.

Section 5.03. Payment of Percentage Rent.

Notwithstanding anything herein to the contrary, the parties agree that Tenant shall have no obligation to pay any Percentage Rent (as hereafter defined) or submit any statements of Gross Sales (as hereafter defined) except for the quarterly statement of Gross Sales described in Section 5.05A. below, unless Tenant assigns its interest in this Lease in connection with a sale of Tenant's business operations at the Premises where the existing "Hook" concept will not be materially continued (i.e., if a new restaurant concept is operated in connection with such assignment, then Percentage Rent shall be payable). In such event, as additional rent, Tenant's assignee shall pay Landlord for each Lease Year during the initial term as well as the Option Period (and any renewal or holdover period thereafter), an amount ("Percentage Rent") equal to 6% of all Gross Sales in excess of Six Million and 00/100 Dollars ($6,000,000) (the "Breakpoint") for any such Lease Year. Percentage Rent shall be due and payable within fifteen (15) days after the end of (i) the first month in which Tenant's assignee's Gross Sales exceed the volume of Gross Sales at which Tenant's assignee is required to pay Percentage Rent for such Lease Year, and (ii) each month thereafter during the remaining Lease Year thereafter until the new Lease Year begins and the calculation for the Break Point resets.

Section 5.04. "Gross Sales" Defined.

A. The term "Gross Sales" means the amount of the actual prices charged, whether for cash or on credit, for all sales or receipts of whatever kind (whether for food, beverage or any other item) conducted by Tenant's assignee and any of Tenant's assignee's sublessees, concessionaires and/or licensees, from the Premises, including catalog, electronic and telephone sales and orders taken in or from the Premises, although said orders may be filled elsewhere; all without credit to Tenant's assignee for uncollected or uncollectible credit accounts. Each charge or sale upon installment or credit shall be treated as a sale for the full price at the time such charge or sale is made, regardless whether or when Tenant's assignee shall receive payment thereof. The amount of any deposit not refunded shall be included in Gross Sales when received.

B. The following items shall be excluded from Gross Sales: (i) cash or credit refunds to customers on transactions otherwise included in Gross Sales; (ii) amounts collected from customers and paid by Tenant's assignee to any government for any sales or excise tax; (iii) proceeds from the sale of gift certificates until redeemed or such certificates have expired; (iv) proceeds from sales of equipment or trade fixtures not made in the ordinary course of Tenant's assignee's business; (v) the amount of returns to shippers or manufacturers; (vi) the exchange of goods or merchandise between the stores of Tenant's assignee, if any, where such exchanges of goods or merchandise are made solely for the convenient operation of the business of Tenant's assignee and not for the purpose of consummating a sale which was made at, in or from the Premises; (vii) the amount of any cash or credit refund; (viii) sales to employees made at a discount (such discounts not to exceed three percent (3%) of total Gross Sales on an annual basis); and (ix) all tips, (whether cash or credit) collected to the extent payment is actually given to Tenant's assignee's employees;. No franchise tax, capital stock tax, tax based upon assets or net worth, or gross receipts tax, and no income or similar tax based on income or profits shall be deducted from Gross Sales. The full value attributed to a trade-in item at the time the sale is made is to be included in Gross Sales.

Section 5.05. Statements of Gross Sales.

A. Within fifteen (15) days after the end of each calendar quarter, Tenant shall deliver to Landlord a statement, substantially in the form of Exhibit D, certified by Tenant and setting forth the amount of Gross Sales made during such quarter. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) day of said quarter when the statement is due that the statement is not delivered. Notwithstanding the foregoing, on the first instance of any failure of Tenant to provided such statement in any calendar year, a late charge will not be assessed if Tenant provides the applicable statement within five (5) business days of receipt of written notice from Landlord to Tenant regarding the existence of such failure; it being agreed that for purposes of this sentence, written notice will be deemed to include notice via e-mail to jsumbel@comcast.net, provided that a copy of such e-mail is simultaneously provided to skok@gyfb.com.

B. If Percentage Rent becomes applicable in accordance with Section 5.03, within fifteen (15) days after the end of each calendar month, Tenant's assignee shall deliver to Landlord a statement, substantially in the form of Exhibit D, certified by Tenant's assignee and setting forth the amount of Gross Sales made during such month. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) of the month that such statement is not delivered.

C. If Percentage Rent becomes applicable in accordance with Section 5.03, within sixty (60) days after the end of each Lease Year, Tenant's assignee shall deliver to Landlord a written statement, certified to be complete and correct by an independent Certified Public Accountant, showing the amount of Gross Sales and the amount of Percentage Rent paid to Landlord for such Lease Year. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) day of said month when the statement is due that the statement is not delivered.

D. The receipt or acceptance by Landlord of any statement of Gross Sales, or any payment of Percentage Rent, if applicable, shall not bind Landlord to the correctness of the statement or payment, and shall be without prejudice to Landlord's inspection and audit rights as provided in Section 5.06 below.

Section 5.06. Records and Audits.

A. Tenant's, and if applicable Tenant's assignee's, Gross Sales shall be recorded through accurate modern cash registers or computers which shall show, record and preserve, in complete detail, all items making up Gross Sales. Tenant and Tenant's assignee, as applicable, shall keep and preserve local and state sales tax returns, sales reports, daily cash register slips or tapes, sales receipts, sales records and other supporting documentation, and such other full, complete and accurate books of account as are reasonably necessary to properly monitor or audit Gross Sales to verify any amounts due as Percentage Rent (hereinafter collectively the "Records"). The Records shall disclose in detail all information required to permit Landlord to verify Tenant, and if applicable Tenant's assignee's, Gross Sales, and shall conform to and be in accordance with generally accepted accounting principles consistently applied with respect to all operations of the business conducted in, at, to or from the Premises. The Records shall be kept and preserved for at least three (3) years after the end of the period(s) to which they pertain, notwithstanding occurrence of the Termination Date. If an audit is required, or a controversy arises regarding Percentage Rent, Tenant's assignee shall retain the Records until such audit is terminated or controversy resolved.

B. If Percentage Rent becomes applicable in accordance with Section 5.03, Landlord shall have the right, at any time during normal business hours upon not less than five (5) business days' prior notice to Tenant, to cause a complete examination or audit to be made of the Records. If any audit discloses that any statement of Gross Sales understates Gross Sales for the reporting period, Tenant shall pay to Landlord upon demand (i) any deficiency in Percentage Rent, and (ii) if such audit discloses an understatement in Gross Sales of three percent (3%) or more, the cost of the audit (including all reasonable travel expenses incurred by Landlord and its agents in conducting such audit).

Section 5.07. Taxes.

Tenant shall be responsible for payment of all Taxes (as hereinafter defined). The term "Taxes" means all governmental or quasi-governmental taxes, fees, charges and assessments (whether general, special, ordinary, or extraordinary and including, without limitation, any Georgetown area special assessments) applicable or otherwise levied against the Premises or the building and taxes and assessments levied in substitution or supplementation in whole or in part of such taxes, together with all reasonable costs and fees (including reasonable appraiser, consultant and attorney's fees) incurred by Landlord in any tax contest, appeal or negotiation to the extent Landlord contests any of said Taxes. "Taxes" shall not include income taxes; personal property taxes; gift, inheritance taxes or estate taxes; transfer or recordation taxes; or franchise taxes levied against the Landlord, and not directly against said property, even though such taxes might become a lien against said property.

Section 5.08. Payment of Taxes.

A. Subject to Landlord's election in Paragraph B. of this Section 5.08, Tenant shall pay any Taxes directly to any such taxing authority upon receipt of the bill from Landlord or from the taxing authority to the extent Tenant receives the bills directly. All such payments must be made no later than the time period prescribed in the bill before any penalties accrue or within thirty (30) days without regard to any grace period to the extent the bill allows for a period of time greater than thirty (30) days to make such payment. Upon receipt of any tax bills and assessment bills attributable to any calendar year during the term hereof, Tenant shall immediately furnish Landlord with a copy. For the calendar year in which this Lease commences and terminates, the provisions of this Section 5.08 shall still apply, and Tenant's liability for the Taxes for such years shall be subject to a pro rata adjustment based on the number of days of said calendar years during which the term of this Lease is in effect. If all or any portion of the Taxes for the calendar year in which this Lease term commences have been paid by Landlord prior to the Term Commencement Date, Tenant shall reimburse Landlord for Tenant's pro rata share within thirty (30) days after Landlord delivers written notice thereof to Tenant.

B. Notwithstanding the foregoing, if requested by Landlord, Tenant shall pay Taxes in such equal monthly installments (the "Tax Estimates") as Landlord reasonably estimates from time to time, with the first installment being due on the Term Commencement Date and each succeeding installment being due on the first day of each calendar month thereafter. Within sixty (60) days after the end of each Tax Year or as soon thereafter as is reasonably practical, Landlord shall send Tenant a statement setting forth the amount of the Taxes and the sum of the Tax Estimates which have been paid by Tenant for such Tax Year. If the amount of the Taxes for such period exceeds the total of the Tax Estimates paid by Tenant, Tenant shall pay the difference to Landlord within thirty (30) days after receipt of such statement. If the total of the Tax Estimates paid by Tenant for such period exceeds the Taxes for such period, Landlord

shall credit the difference toward the Tax Estimates next due and, at the end of the Term, refund any excess amount of Taxes paid by Tenant, less the amount of any monies owed to Landlord by Tenant; provided, however, if a Default exists hereunder, Landlord may apply any overpayment on account of any sums then due Landlord (the "Default Application"). Subject to the Default application, Landlord shall credit Tenant with any refund received by Landlord of any Tax to which Tenant has contributed by paying the Taxes reserved hereunder.

Section 5.09. Taxes on Tenant's Personal Property.

Tenant shall pay all governmental taxes, charges, fees and assessments applicable to Tenant's personal property, trade fixtures, inventory and Tenant's Rent obligation before they become delinquent.

Section 5.10. Insurance Costs.

Tenant shall be responsible for paying for all "Insurance Costs" during the Term. The term "Insurance Costs" means all premiums, fees, costs, expenses and other charges incurred by Landlord for Landlord's insurance program applicable to the Premises and the building. Landlord shall maintain such insurance as may be required for full replacement of building without regard to any of Tenant's fixtures or improvements or such other insurance as may be required by any mortgagee of Landlord.

Section 5.11. Payment of Insurance Costs.

A. Subject to Landlord's election in Paragraph B. of this Section 5.11, at Landlord's request, Tenant shall pay such Insurance Costs directly to any applicable insurer within twenty-five (25) days from Tenant's receipt of the bill from Landlord or the insurer in the event that a bill is directly sent to Tenant by any insurer. Upon payment therefore for any Insurance Costs, Tenant shall provide evidence of such payment to Landlord upon Landlord's request.

B. Notwithstanding the foregoing, at Landlord's request, Tenant shall pay Insurance Costs with its monthly Rent payments in such equal monthly installments (the "Insurance Estimates") as Landlord estimates from time to time, with the first installment being due on the Term Commencement Date and each succeeding installment being due on the first day of each calendar month thereafter. After the end of each calendar year, Landlord shall send Tenant a statement setting forth the actual amount of the Insurance Costs and the sum of the Insurance Estimates which have been paid by Tenant for such calendar year. If the amount of the Insurance Costs for such period exceeds the total of the Insurance Estimates paid by Tenant, Tenant shall pay the difference to Landlord within twenty-five (25) days after receipt of such statement. If the total of the Insurance Estimates paid by Tenant for such period exceeds the Insurance Costs for such period, Landlord shall, subject to the Default Application, credit the difference toward the Insurance Estimates next due and, at the end of the Term, refund any excess amount of Insurance Costs paid by Tenant, less the amount of any monies owed to Landlord by Tenant.

Section 5.12. Security Deposit.

Tenant and the Adjacent Tenant (as hereafter defined) shall cause the Security Deposit to be deposited with the Landlord upon the Term Commencement Date (whether through the credit of any security deposit under the Existing Lease, or otherwise). The Security Deposit shall be held as security for the performance of each and every term, covenant, agreement and condition of this Lease to be performed by Tenant. Landlord may use, apply on Tenant's behalf or retain (without liability for interest) during the Term all or any part of the Security Deposit to the extent required for the payment of any Rent which may be owed hereunder, or for any sum which Landlord may expend to cure any Default of Tenant, including without limitation, (a) any damages, costs or expenses (including attorney's fees) incurred by Landlord in causing Tenant to restore and refund the portion of the Security Deposit so used or applied by Landlord, (b) loss or damage that Landlord may suffer by reason of Tenant's Default, including, without limitation, any damages incurred by Landlord or deficiency resulting from the reletting of the Premises, whether such damages or deficiency accrues before or after summary proceedings or other reentry by Landlord, or (c) costs incurred in connection with the cleaning or repair of the Premises upon expiration or earlier termination of this Lease. Notwithstanding anything herein to the contrary, the parties acknowledge that the Security Deposit secures not only the obligations of the Tenant under this Lease, but also the obligations of the tenant (the "Adjacent Tenant") leasing the property located at 3245 M St., N.W., Washington, D.C. (the "Adjacent Property") pursuant to that certain lease between Landlord and the Adjacent Tenant (the "Adjacent Lease"). Tenant acknowledges and agrees that any Default (as defined in the Adjacent Lease) by the Adjacent Tenant under the Adjacent Lease shall entitle Landlord to use, apply on Tenant's behalf or retain the Security Deposit as herein provided as if Tenant had otherwise been in Default. By way of example, assuming that: (a) the Security Deposit held by the Landlord is then $80,000 (i.e., the Security Deposit had previously been reduced by $12,000), (b) the collective Rent payable by the Tenant and the Adjacent Tenant under this Lease and the Adjacent Lease is $40,000, and (c) the Landlord only receives $5,000 in Rent in a given month (under this Lease and the Adjacent Lease), then the Security Deposit would be applied leaving a remaining balance of the Security Deposit in the amount of $45,000. Continuing on with the prior example, if no Rent payments are then made for the following month (under this Lease or the Adjacent Lease), the Landlord shall cause the Security Deposit to be reduced by $40,000 to cover the additional Rent default such that the balance of the Security Deposit would then be $5,000.

The Security Deposit is subject to replenishment from payments made by the Tenant and the Adjacent Tenant (or any assignee, guarantor or in connection with any other payment to the Landlord under this Lease or the Adjacent Lease) thereafter, as follows: (i) first, to pay the current Rent due for the month in which the payment is made; (ii) second, to pay any delinquent or unpaid Rent owed to the Landlord pursuant to this Lease or the Adjacent Lease (which will only be applicable in the event that the Security Deposit has already been fully exhausted); and (iii) third, to restore the Security Deposit up to a maximum of its original amount (i.e., $92,000).

EXAMPLE 1: Continuing with the original example (a Security Deposit balance of $5,000) assume that Rent for the third month is then due and the Tenant and Adjacent Tenant thereafter pay the collective amount of $85,000. Applying the methodology above, the $85,000 would first be applied to the Rent due for said month in which the payment was made (i.e., $40,000). The excess of $45,000 would then be applied to replenish the Security Deposit so that the balance of the security deposit would then equal $50,000. To put it another way, the Tenant and the Adjacent Tenant would have had total Rent obligations of $120,000 and would have paid $90,000 so the Landlord would then have applied $30,000 against the Security Deposit (exclusive of the original reduction in the Security Deposit to $80,000). EXAMPLE 2: Continuing with the original example (Security Deposit then equal to $5,000) assume that Rent for the third month is then due and the Tenant and Adjacent Tenant thereafter pay the collective amount of $45,000. Applying the methodology above, the $45,000 would first be applied to the Rent due for said third month in which the payment was made (i.e., $40,000 again). The excess of $5,000 would then all be applied to replenish the Security Deposit up to the amount of $10,000. To put it another way, the Tenant and Adjacent Tenant would have had total Rent obligations of $120,000 and would have paid $50,000 so the Landlord would then have applied $70,000 against the Security deposit (exclusive of the original reduction in the Security Deposit to $80,000) leaving a balance of the Security Deposit in the amount of $10,000. EXAMPLE 3: Without the need to refer to any other examples, but again assuming that Rent is $40,000 per month (in the aggregate under this Lease and the Adjacent Lease), but this time the Security Deposit has already been fully exhausted and there is still unpaid Rent in the amount of $10,000, but the Landlord for whatever reason has not yet evicted the Tenant or the Adjacent Tenant, and then Tenant and/or the Adjacent Tenant make payments of $55,000. Applying the methodology above, the $55,000 would first be applied to the current Rent (i.e., $40,000), and then the excess of $15,000 would be applied next to the unpaid Rent that accrued after exhaustion of the Security Deposit (i.e., $10,000) and lastly the excess of $5,000 would then be applied to restore the Security Deposit). In the event that the balance of the Security Deposit is less than Ten Thousand Dollars ($10,000.00), Tenant shall, within ten (10) days of Notice from Landlord, restore the Security Deposit to at least Ten Thousand Dollars ($10,000.00), the failure of which shall be a Default of this Lease.

The use, application or retention of the Security Deposit by Landlord shall not be deemed a limitation on Landlord's recovery in any case, or a waiver by Landlord of any Default, nor shall it prevent Landlord from exercising any other right or remedy for a Default by Tenant. In the event that either: (I) the Landlord sells the Premises or the Adjacent Property; or (II) this Lease or the Adjacent Lease is terminated not due to any act or omission of the Adjacent Tenant (e.g., by Landlord's exercise of its right to terminate the Adjacent Lease, by casualty or by condemnation), then the Security Deposit (both the maximum total and the then-current balance) will be divided between the Tenant (to be held or distributed pursuant to this Lease) and the Adjacent Tenant (to be held or distributed pursuant to the Adjacent Lease). For example, if the Security Deposit then had a balance of $50,000 and the Landlord sells the Adjacent Property, then the Landlord would transfer (directly or indirectly) $25,000 of the Security Deposit to the new owner, the new maximum Security Deposit under this Lease would be $46,000 and the new balance of the Security Deposit under this Lease would be $25,000. For the avoidance of doubt, the obligation of Tenant to restore the Security Deposit to at least Twenty Thousand Dollars ($20,000.00) as provided in the last sentence of the immediately preceding paragraph shall remain in full force and effect notwithstanding such division of the Security Deposit. The Security Deposit (as same may have been divided pursuant to the provisions of this paragraph), less any amount applied as herein provided, shall be returned to Tenant, without interest, within thirty (30) days after the Termination Date and after surrender of possession of the Premises to Landlord in accordance with the terms of this Lease.

Section 5.13. Accounting/Lease Administration Fee.

In addition to its Minimum Rent and all other sums due hereunder, Tenant shall pay Landlord an Accounting/Lease Administration Fee equal to Five Thousand and 00/100 Dollars ($5,000.00) during each Lease Year of the Term. Tenant shall pay such amount in monthly installments of Four Hundred Sixteen and 67/100 Dollars ($416.67) each, which shall be payable on the first of each month with each installment of Minimum Rent.

Article 6.

INTENTIONALLY OMITTED

Article 7.

UTILITIES

Section 7.01. Utility Charges.

Tenant shall contract for in its own name and pay, when due, all charges for water, sewer, electricity, gas, telephone service and other utilities supplied to the Premises, including but not limited to any tap or impact fees or other similar exactions.

Section 7.02. Discontinuance and Interruption of Service.

Landlord shall not be liable to Tenant in damages or otherwise for the quality, quantity, failure, unavailability or disruption of any utility service and the same shall not constitute a termination of this Lease, or an actual or constructive eviction of Tenant, or entitle Tenant to any abatement of Rent.

Article 8.

INDEMNITY AND INSURANCE

Section 8.01. Indemnity.

Tenant shall indemnify, defend and hold Landlord, its management agent, and its Mortgagees and their respective officers, directors, shareholders, members, trustees, principals, partners, agents, employees (collectively, "Landlord's Indemnitees") harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including reasonable architects' and attorneys' fees, which may be imposed upon, incurred by, or asserted against any of Landlord's Indemnitees and arising, directly or indirectly, out of or in connection with: (i) Tenant's breach of its obligations under this Lease; (ii) the negligence or willful misconduct of Tenant or any Person claiming by, through or under Tenant, or the agents, contractors, employees, servants, invitees, guests, customers or licensees of any such Person (collectively the "Tenant Parties"), in, on or about the Premises; (iii) the use or occupancy of the Premises or the building by Tenant or the Tenant Parties or (iv) the use or occupancy of the Premises (or the building) by Tenant's Invitees while in, on or about the Premises (or the building). If any action or proceeding is brought against any of Landlord's Indemnitees by reason of any of the foregoing, Tenant shall reimburse Landlord for the cost of defending such action or proceeding or, upon Landlord's request and at Tenant's sole cost and expense, resist and defend such action and proceeding by counsel approved by Landlord. Tenant shall not be obligated to indemnify Landlord's Indemnitees against loss, liability, damage, cost or expense arising out of a claim for which Tenant is released from liability pursuant to Section 8.07 below (or a claim arising out of the negligence or willful misconduct of Landlord or its agents, employees or contractors).

Landlord shall indemnify, defend and hold Tenant and its officers, directors, shareholders, members, trustees, principals, partners, agents, employees (collectively, "Tenant Indemnitees" harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including reasonable architects' and attorneys' fees, which may be imposed upon, incurred by, or asserted against any of Landlord's Indemnitees and arising, directly or indirectly, out of or in connection with: (i) Landlord's breach of its obligations under this Lease; or (ii) the negligence or willful misconduct of Landlord or any Person claiming by, through or under Landlord, or the agents, contractors, employees, servants, invitees, guests or licensees of any such Person. If any action or proceeding is brought against any Tenant Indemnitees by reason of any of the foregoing, Landlord shall reimburse Tenant for the cost of defending such action or proceeding or, upon Tenant's request and at Landlord's sole cost and expense, resist and defend such action and proceeding by counsel approved by Tenant. Landlord shall not be obligated to indemnify Tenant Indemnitees against loss, liability, damage, cost or expense arising out of a claim for which Landlord is released from liability pursuant to Section 8.07 below (or a claim arising out of the negligence or willful misconduct of Tenant or its agents, employees or contractors).

Section 8.02. Landlord Not Responsible for Certain Accidents, Occurrences and Acts of Others.

To the maximum extent permitted by law, Landlord's Indemnitees shall not be liable for, and Tenant waives all claims for, loss or damage to Tenant's business or injury or damage to Person or property sustained by Tenant, or any Person claiming by, through or under Tenant, resulting from any accident or occurrence in, on, or about the Premises, including claims for loss, theft, injury or damage resulting from: (i) any equipment or appurtenances being or becoming out of repair; (ii) wind or weather; (iii) any defect in or failure to operate any sprinkler, HVAC equipment, electric wiring, gas, water or steam pipe, stair, railing or walk; (iv) broken glass; (v) the backing up of any sewer pipe or downspout; (vi) the escape of gas, steam or water; (vii) water, snow or ice being upon the building or coming into the Premises; (viii) the falling of any fixture, plaster, tile, stucco or other material; or (ix) any act, omission or negligence of licensees or any other Persons, including (but not limited to) occupants of the building, occupants of adjoining or contiguous buildings, owners of adjacent or contiguous property, or the public.

Section 8.03. Tenant's Insurance.

Commencing on the date upon which Landlord delivers the Premises to Tenant and at all times thereafter, Tenant shall carry and maintain, at its sole cost and expense:

A. Commercial General Liability Insurance (ISO form or equivalent) naming Tenant as the named insured and Landlord and (at Landlord's request) Landlord's mortgagee (and the managing agent), if any, as additional insureds, protecting Tenant and the additional insureds against liability for bodily injury, death and property damage occurring upon or in the Premises, with a minimum combined single limit of One Million Dollars ($1,000,000.00) and a general aggregate limit of Three Million Dollars ($3,000,000.00). If the policy also covers locations other than the Premises, the policy shall include a provision to the effect that the aggregate limit of Three Million Dollars ($3,000,000.00) shall apply separately at the Premises. If Tenant sells, serves or distributes alcoholic beverages in or on the Premises, then such General Liability Insurance shall include, at the same minimum limits of liability as shown above, Liquor Legal Liability coverage.

B. "All Risk" or "Special Form" property insurance covering all Leasehold Improvements and all of Tenant's Property (as both are defined in Section 9.05 below), and the floor and wall coverings within the Premises, and written for at least the full replacement cost with a deductible of not more than One Thousand Dollars ($1,000.00).

C. Worker's compensation or similar insurance to the extent and in the amounts required by law.

D. Business interruption insurance at Tenant's existing coverage levels; it being agreed that Landlord may require Tenant to increase such coverage if required by Landlord's lender.

Notwithstanding anything set forth above, all dollar limits specified in Section 8.03 shall be increased from time to time, as reasonably necessary, to effect economically equivalent insurance coverage, or coverage deemed adequate in light of then existing circumstances.

Section 8.04. Tenant's Contractor's Insurance.

Tenant shall cause any contractor performing work on the Premises to obtain, carry and maintain, at no expense to Landlord: (i) worker's compensation insurance and employer's liability as required by the jurisdiction in which the building is located; (ii) builder's risk insurance with a deductible no greater than Ten Thousand Dollars ($10,000.00), in the amount of the full replacement cost of the Tenant's Property and the Leasehold Improvements; (iii) Commercial General Liability Insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage providing on an occurrence basis a minimum combined single limit of Three Million Dollars ($3,000,000.00) per occurrence; (iv) business automobile liability insurance including the ownership, maintenance and operation of the automotive equipment, owned, hired and non-owned coverage with a combined single limit of not less than Three Million Dollars ($3,000,000.00) for bodily injury and property damage; and (v) worker's compensation insurance to the extent required by law. All such policies shall contain an endorsement waiving all rights of subrogation against Landlord's Indemnitees (as defined in Section 8.01.A. hereof). If the contractor fails to acquire such insurance, Tenant shall provide such insurance (except worker's compensation insurance and employer's liability) at its sole cost and expense.

Section 8.05. Policy Requirements.

Any company writing any insurance which Tenant is required to maintain or cause to be maintained under Sections 8.03 and 8.04 as well as any other insurance pertaining to the Premises or the operation of Tenant's business therein (all such insurance being referred to as "Tenant's Insurance") shall at all times be licensed and qualified to do business in the jurisdiction in which the Premises is located and shall have received an A- or better (and be in a financial size category of class VIII or higher) rating by the latest edition of A.M. Best's Insurance Rating Service. All of Tenant's policies shall name Tenant as the named insured and Landlord, Landlord's designee and (at Landlord's request) Landlord's Mortgagee (and managing agent), if any, and any other Person designated by Landlord, so long as such other Person shall have an insurable interest in the building, as additional insureds. All of Tenant's Insurance may be carried under a blanket policy covering the Premises and any other location of Tenant, if (i) the coverage afforded Landlord and any designees of Landlord shall not be reduced or otherwise adversely affected, and (ii) such blanket policy allocates to the properties and liabilities to be insured under this Article 8 an amount not less than the amount of insurance required to be covered pursuant to this Article 8, so that the proceeds of such insurance shall not be less than the proceeds that would be available if Tenant were insured under a unitary policy. All policies of Tenant's Insurance shall contain endorsements requiring the insurer(s) to give to all additional insureds at least thirty (30) days' advance notice of any material reduction, cancellation, termination or non-renewal of said insurance. Tenant shall be solely responsible for payment of premiums and all other costs and expenses for all of Tenant's Insurance. Tenant shall deliver to Landlord at least thirty (30) days prior to the time Tenant's Insurance is first required to be carried by Tenant, and upon renewals at least thirty (30) days prior to the expiration of the term of any such insurance policy, a certificate of insurance of all policies procured by Tenant in compliance with its obligations under this Lease. The limits of Tenant's Insurance shall not limit Tenant's liability under this Lease, at law or in equity. If Tenant fails to deposit a certificate of insurance with

Landlord for a period of ten (10) days after notice from Landlord, in addition to any other rights or remedies of Landlord, Landlord may acquire such insurance, and Tenant shall pay Landlord the amount of the premium applicable thereto within ten (10) days following notice from Landlord.

Section 8.06. Increase in Insurance Premiums.

Tenant shall not keep or do or permit anything in the Premises, other than as otherwise hereinabove permitted, that will: (i) result in an increase in the rate of any insurance on the building or any element thereof; (ii) violate the terms of any insurance coverage on the building or any element thereof carried by Landlord or any other tenant; (iii) prevent Landlord from obtaining such policies of insurance acceptable to Landlord or any Mortgagee of the building; or (iv) violate the rules, regulations or recommendations of Landlord's insurers, loss prevention consultants, safety engineers, the National Fire Protection Association, or any similar body having jurisdiction over the Premises. If Tenant does so, Tenant shall pay to Landlord upon demand the amount of any increase in any such insurance premium. In determining the cause of any increase in insurance premiums, the schedule or rate of the organization issuing the insurance or rating procedures shall be conclusive evidence of the items and charges which comprise the insurance rates and premiums on such property.

Section 8.07. Release and Waiver of Right of Recovery.

A. Landlord and Tenant (each, a "Waiving Party") each hereby waives and releases all rights of recovery against the other and the other's agents and employees (the "Released Parties") on account of loss or damage to the property of the Waiving Party to the extent that such loss or damage arises from the perils that could be insured against under the ISO Causes of Loss-Special Form Coverage (formerly known as "all-risk"), including any deductible thereunder (whether or not the party suffering the loss or damage actually carries such insurance, recovers under such insurance or self insures the loss or damage) or which right of recovery arises from any damage that could be insured under time element insurance, including without limitation loss of earnings or rents resulting from loss or damage caused by such a peril. By this waiver it is the intent of the parties that the Released Parties shall not be liable to the Waiving Party or any insurance company (by way of subrogation or otherwise) insuring the Waiving Party for any loss or damage insured against (or that could have been insured against) under any such insurance or other insurance maintained by the Waiving Party, even though such loss or damage might be caused by the negligence of one (1) or more of the Released Parties; provided, however, the mutual release contained herein shall not apply to damage to the Waiving Party's property caused by the willful misconduct of any of the Released Parties.

B. Both Landlord and Tenant shall include in each of its property damage insurance policies a waiver of the insurer's right of subrogation against the other party and the officers, directors, agents and employees of, and the partners and members in, the other party and any insurance company of such other party. If there is a conflict between this Section 8.07 and any other provision of this Lease, this Section shall control.

Article 9.

CONSTRUCTION AND ALTERATIONS

Section 9.01. Condition of Premises.

Tenant acknowledges: (i) upon the Term Commencement Date, Tenant accepts the Premises, and all improvements, betterments and equipment "AS IS," with no representation or warranty by Landlord as to the condition or suitability of the Premises or of the building for Tenant's purpose; and (ii) Landlord has no obligation to improve or repair the Premises.

Section 9.02. Alterations.

Tenant shall not make or cause to be made any alterations, additions, renovations, improvements or installations in or to the Premises without Landlord's prior consent, which such consent may be granted or withheld in Landlord's sole and absolute discretion, except that Landlord agrees not to unreasonably withhold its consent to interior, non-structural, non-storefront, non-mechanical, non-electrical and non-plumbing alterations costing less than Twenty-Five Thousand Dollars ($25,000.00), provided, however that in no event, shall any alterations made to the Premises (i) diminish the fair value of Tenant's improvements, (ii) require any waivers or variances from applicable governmental authorities, or (iii) affect the continued use of the Premises as a single integrated unit. Upon completion of such modifications or alterations, Tenant shall deliver to Landlord copies of any "as-built" plans prepared in connection therewith.

Section 9.03. Work Requirements.

All work performed by Tenant in the Premises shall be performed: (i) promptly and in a workmanlike manner with first-class materials; (ii) by duly qualified or licensed Persons; (iii) without interference with, or disruption to, the operations of Landlord or any adjacent buildings; and (iv) in accordance with (a) plans and specifications approved in writing in advance by Landlord (as to both design and materials) which such approval may be granted or withheld in Landlord's sole and absolute discretion, except as otherwise provided in Section 9.03, and (b) all applicable governmental permits,

rules, regulations, ordinances and the like. Landlord's approval of any of Tenant's plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities.

Section 9.04. Ownership of Improvements.

All present and future alterations, additions, renovations, improvements and installations made to the Premises, including the HVAC system (collectively, the "Leasehold Improvements"), shall be deemed to be the property of Landlord when made and, upon Tenant's vacation or abandonment of the Premises, unless Landlord directs otherwise, shall remain upon and be surrendered with the Premises in good order, condition and repair. All movable goods, inventory, office furniture, equipment, trade fixtures (including Signs) and other movable personal property belonging to Tenant that are not permanently affixed to the Premises, shall remain Tenant's property ("Tenant's Property") and shall be removable by Tenant at any time, provided that Tenant shall repair any damage to the Premises or the building caused by the removal of any of Tenant's Property.

Section 9.05. Removal of Tenant's Property.

Tenant shall remove all of Tenant's Property and Tenant's Signs prior to the Termination Date or the termination of Tenant's right to possession. Tenant shall repair any damage to the Leasehold Improvements, the Premises or any other portion of the building caused by such removal. If Tenant fails to timely remove said items, they shall be considered as abandoned and shall become the property of Landlord, or Landlord may have them removed and disposed of at Tenant's sole cost and expense and within ten (10) days after demand Tenant shall pay Landlord, as Additional Rent, the cost of such removal or disposal. Tenant' obligation to pay Landlord such costs shall survive the expiration or earlier termination of this Lease.

Section 9.06. Mechanic's Liens.

No mechanic's or other lien shall be allowed against the building as a result of Tenant's improvements or repairs or other work to the Premises. Tenant shall promptly pay all persons furnishing labor, materials or services with respect to any work performed by Tenant on the Premises. If any mechanic's or other lien shall be filed against the Premises or the building by reason of work, labor, services or materials performed or furnished, or alleged to have been performed or furnished, to or for the benefit of Tenant, Tenant shall cause the same to be discharged of record or bonded to the satisfaction of Landlord within ten (10) business days subsequent to the filing thereof. If Tenant fails to discharge or bond any such lien, Landlord, in addition to all other rights or remedies provided in this Lease, may bond said lien or claim (or pay off said lien or claim if it cannot with reasonable effort be bonded) without inquiring into the validity thereof and all expenses incurred by Landlord in so discharging said lien, including reasonable attorney's fees, shall be paid by Tenant to Landlord as Additional Rent within ten (10) days after demand.

Section 9.07. No Representation.

Landlord reserves the right to determine all tenancies in the 3245 Property, and Tenant does not rely on, nor does Landlord represent, the tenancy of any specific tenant(s). No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

Article 10.

REPAIRS, MAINTENANCE AND LANDLORD'S ACCESS

Section 10.01. Repairs and Maintenance by Tenant.

A. Subject to Section 10.01(E), throughout the Term Tenant shall maintain all portions of the Premises, the loading dock or trash area exclusively designated for Tenant's use, the Leasehold Improvements and Tenant's Property in good order, condition and repair. Tenant shall not cause or permit any waste, damage or injury to the Premises. Tenant's obligations shall include, without limitation, repairing, maintaining, and making replacements to all items related to the Premises and/or the building such as the following: floor coverings; walls (except structural walls) and wall coverings; ceilings; utility meters; pipes and conduits exclusively serving the Premises; fixtures; the HVAC system; plumbing, electrical and other mechanical systems exclusively serving the Premises; sprinkler and other fire protection equipment exclusively serving the Premises; the storefront(s); security grilles or similar enclosures; locks and closing devices; window sashes, casements and frames; glass; doors and door frames; and submeters exclusively serving the Premises. Tenant agrees to maintain with a reputable contractor a regular service and maintenance contract on the HVAC equipment and system serving the Premises, with routine inspections and servicing as recommended by the HVAC manufacturer.

B. Tenant shall install and maintain such fire extinguishers and other fire protection devices as may be required by any agency having jurisdiction over, or by the underwriters issuing insurance for, the Premises. Tenant agrees to routine inspections of fire protection devices by contractors acceptable to Landlord. If any governmental authority with jurisdiction over the Premises requires the installation,

modification, or alteration of the sprinkler system, or other equipment, by reason of Tenant's use and occupancy of the Premises, or the location of any partitions, trade fixtures, or other contents of the Premises, then Tenant shall promptly install, at its sole cost and expense, such sprinkler system or changes therein.

C. Tenant shall keep the alleys, service areas, sidewalks, and loading docks or bays, if any, adjoining the Premises free from ice and snow and shall not permit the accumulation of garbage, trash or other waste in or around the Premises and shall otherwise maintain the same in accordance with all applicable laws and ordinances.

D. Notwithstanding anything to the contrary contained herein, in order to eliminate the problem of sewer back-ups and health hazards, Tenant shall install grease traps in the Premises, the type and manner of installation of such grease traps being subject to Landlord's prior written approval, and shall establish a bi-monthly cleaning program with respect thereto. In addition to the bi-monthly cleaning of the grease traps, Tenant shall use "Cloroben PT" or a similar type of chemical in all drain lines, in accordance with the manufacturer's recommendations, to help dissolve any grease build-up. Further, a regular and periodic extermination program shall be instituted at Tenant's sole cost and expense. Tenant shall provide Landlord with copies of its cleaning contract for its grease traps and its extermination contracts upon execution of the Lease. If Tenant shall fail to maintain its grease traps or its extermination program in a manner satisfactory to Landlord, Landlord shall be entitled to contract for such services on behalf of Tenant and Tenant shall pay Landlord, as Additional Rent hereunder, the costs and expenses incurred in connection therewith plus an administrative charge of twelve percent (12%) of the cost and expense thereof.

E. Notwithstanding the provisions of Section 10.01(A) to the contrary, and to the extent not caused by the negligence or willful misconduct or breach of applicable law by Tenant or any of Tenant's agents, contractors, customers or employees, throughout the Term Landlord shall, at its sole cost and expense, maintain the structural portions of the Premises including, without limitation, the roof, foundation and exterior walls; it being agreed that the windows of the Premises shall be deemed to be non-structural and the responsibility of Tenant hereunder. Notwithstanding the foregoing to the contrary, the parties acknowledge and agree that Landlord's obligation to repair and maintain the roof of the Premises shall not commence until March 1, 2011; it being agreed that until such time, the repair and maintenance of the roof shall be the obligation (and expense) of Tenant.

Section 10.02. Inspections, Access and Repairs by Landlord.

Upon reasonable prior notice and without materially adversely affecting Tenant's business within the Premises, Tenant shall permit Landlord or its designee to enter all parts of the Premises during Store Hours or at such other reasonable times to inspect the same. Landlord or its designee may enter the Premises at any time and make such inspection, alterations and repairs to the building in which the Premises is located as Landlord deems reasonably necessary; provided that Landlord shall exercise commercially reasonable efforts to minimize interference with Tenant's business operations during any such access.

Article 11.

CASUALTY

Section 11.01. Fire or Other Casualty.

Tenant shall give prompt notice to Landlord in case of fire or other casualty ("Casualty") to the Premises or the building.

Section 11.02. Right to Terminate.

A. If (i) the building is damaged to the extent of more than fifty percent (50%) of the cost of replacement thereof; or (ii) during the last two (2) Lease Years or in any Partial Lease Year at the end of the Term, the Premises are damaged to the extent of more than twenty-five percent (25%) of the cost of replacement thereof; or (iii) the Premises are damaged to the extent of fifty percent (50%) or more of the cost of replacement thereof and such damage cannot be repaired within one hundred fifty (150) days from the date of such occurrence; then Landlord may terminate this Lease by notice to Tenant delivered within ninety (90) days after the date of the Casualty. If Landlord so terminates this Lease then the Termination Date shall be the date set forth in the notice to Tenant, which date shall not be less than thirty (30) days nor more than ninety (90) days after the giving of said notice. The "cost of replacement" shall be determined by the company or companies insuring Landlord against the Casualty, or, if there shall be no such determination, by a qualified Person selected by Landlord to determine such "cost of replacement."

B. Notwithstanding anything to the contrary contained herein, in the event of a Casualty to the Premises, and provided the Lease is not terminated pursuant to the provisions contained in this Article 11, if either: (i) the Premises are damaged to the extent of fifty percent (50%) or more of the cost of replacement thereof and such damage cannot be repaired within one hundred eighty (180) days from the

date of such occurrence; or (ii) Landlord fails to commence and diligently pursue the restoration and/or repairs to the Premises in accordance with the provisions of Section 11.03 below within one hundred eighty (180) days of the date of such Casualty, Tenant shall have the right to terminate this Lease upon thirty (30) days' prior written notice to Landlord, said notice to be given within thirty (30) days after the expiration of the aforesaid 180-day period. If the Casualty shall render the Premises untenantable, in whole or in part, all Rent shall abate proportionately during the period of such untenantability, computed on the basis of the ratio which the amount of Floor Area of the Premises rendered untenantable bears to the total Floor Area of the Premises (provided that if a portion of the Premises is damaged which renders the remaining portion of the Premises unsuitable for Tenant's business operations, Rent shall abate for the entire Premises). Such abatement shall terminate on the earlier of (i) the date any such repair and restoration work is substantially completed by Landlord, or (ii) the date Tenant reopens for business in the portion of the Premises previously rendered untenantable. Except to the extent specifically set forth in this Section 11.02, neither the Rent nor any other obligations of Tenant under this Lease shall be affected by any Casualty, and Tenant hereby specifically waives all other rights it might otherwise have under law or by statute.

Section 11.03. Landlord's Duty to Reconstruct.

Subject to (i) Landlord's ability to obtain the necessary permits and the availability of insurance proceeds, and (ii) either party's right to terminate this Lease pursuant to the provisions of this Article 11, Landlord shall repair the Premises (excluding the Leasehold Improvements and Tenant's Property and the floor and wall coverings and plate glass in the Premises, all which shall be Tenant's obligation to repair, restore or replace) to a substantially similar condition as existed on the Term Commencement Date; provided, however, Landlord shall not be required to expend an amount in excess of the insurance proceeds received by Landlord in performing such repairs or reconstruction.

Section 11.04. Tenant's Duty to Reconstruct.

Provided this Lease shall not be terminated pursuant to the provisions of this Article and Landlord fulfills its repair obligations set forth in Section 11.03 hereof, Tenant shall promptly commence and diligently pursue to completion the redecorating and refixturing of the Premises, including repairing, restoring or replacing Tenant's Property, the floor and wall coverings and the plate glass, to a substantially similar condition as existed prior to the Casualty. Tenant shall reopen for business in the Premises as soon as practicable after the occurrence of the Casualty.

Article 12.

CONDEMNATION

Section 12.01. Taking of Premises.

A. If more than twenty-five percent (25%) of the Floor Area of the Premises shall be appropriated or taken under the power of eminent domain, or conveyance shall be made in anticipation or in lieu thereof ("Taking"), either party may terminate this Lease as of the effective date of the Taking by giving notice to the other party of such election within thirty (30) days prior to the date of such Taking.

B. If there is a Taking of a portion of the Premises and this Lease is not terminated pursuant to Section 12.01.A., then: (i) as of the effective date of the Taking, this Lease shall terminate only with respect to the portion of the Premises taken; (ii) after the effective date of the Taking and during the remainder of the Term except as set forth in Section 12.04, the Rent shall be reduced by multiplying the same by a fraction, the numerator of which shall be the Floor Area taken and the denominator of which shall be the Floor Area of the Premises immediately prior to the Taking; and (iii) as soon as reasonably possible after the effective date of the Taking, Landlord shall, to the extent feasible, restore the remaining portion of the Premises to a complete unit of a similar condition as existed prior to any work performed by Tenant, provided, however, Landlord shall not be required to expend more on such alteration or restoration work than the condemnation award received and retained by Landlord for the Premises. Upon completion of Landlord's restoration, Tenant shall promptly commence and diligently pursue to completion the re-decorating and re-fixturing of the Premises to substantially similar condition as existed prior to the Taking.

Section 12.02. Taking of Building.

If there is a Taking of any portion of the building so as to render, in Landlord's judgment, the remainder unsuitable for use as a building, as the case may be, Landlord shall have the right to terminate this Lease upon thirty (30) days' notice to Tenant. Provided Tenant is not then in default under this Lease, Tenant shall receive a proportionate refund from Landlord of any Rent Tenant paid in advance.

Section 12.03. Condemnation Award.

All compensation awarded for a Taking of any part of the Premises (including, but not limited to, the Leasehold Improvements) or a Taking of any other part of the building shall belong to Landlord. Tenant hereby assigns to Landlord all of its right, title and interest in any such award. Tenant shall have the right to collect and pursue any separate award as may be available under local procedure for moving expenses or Tenant's Property, so long as such award does not reduce the award otherwise belonging to

Landlord as aforesaid. If the Lease is terminated as a result of any Taking of the Premises and/or the building, Tenant shall be entitled to make a claim for and recover from the condemning authority the unamortized cost of Tenant's Work, over and above the dollar amount of any funds that may have been paid by Landlord in connection with same, amortized on a straight line basis over the initial Term of this Lease, provided that Tenant has furnished Landlord with a list of Tenant's Work and the itemized cost of those improvements within ninety (90) days after the date on which Tenant opens for business from the Premises.

Article 13.

SUBORDINATION AND ATTORNMENT

Section 13.01. Subordination.

Tenant's rights under this Lease are subordinate to any and all present and future (i) ground or underlying leases now or hereafter affecting all or any part of the building, (ii) mortgages, deeds of trust or other security instruments now or hereafter affecting all or any part of the building, and (iii) easements, licenses, covenants, restrictions or other encumbrances now or hereafter affecting all or any part of the building, including, without limitation, the Development Agreements (those documents referred to in (i) and (ii) above being collectively referred to as a "Mortgage" and the Person or Persons having the benefit of same being collectively referred to as a "Mortgagee"). Tenant's subordination provided in this Section 13.01 is self-operative and no further instrument of subordination shall be required. Notwithstanding the foregoing, Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination of this Lease to any Mortgage including, without limitation, any form of subordination, non-disturbance and attornment agreement requested by any Mortgagee. Landlord agrees to use reasonable efforts to cause any Mortgagee to issue Tenant a subordination, non-disturbance and attornment agreement on the Mortgagee's standard form that provides that, so long as Tenant is not in default of this Lease (after the expiration of any applicable notice and cure period), in the event of any foreclosure, this Lease will not be terminated during the Term hereof as a result of any foreclosure or conveyance in lieu of foreclosure under the deed of trust on the Premises held by such Mortgagee.

Section 13.02. Attornment.

If any Person succeeds to all or part of Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, termination of lease or otherwise, Tenant shall, without charge, automatically attorn to such successor-in-interest upon request from Landlord.

Section 13.03. Landlord's Mortgagee's Approval of this Lease.

If Landlord's Mortgagee will approve this Lease only upon the basis of modification of the terms and provisions of this Lease other than any terms and provisions that increase the obligations of Tenant or materially interfere with Tenant's business operations, Landlord shall have the right to cancel this Lease if Tenant refuses to approve in writing any such modifications to the within thirty (30) days after Landlord's request therefor, which request may not be made later than the Term Commencement Date.

Section 13.04. Mortgagee Protection.

Tenant agrees to give Landlord's Mortgagee(s), by certified mail or overnight courier, a copy of any notice of default served upon the Landlord, provided that prior to such notice, Tenant has been notified, in writing (by way of Notice of Assignment of Rents and Leases, or otherwise), of the address of such mortgagee(s). Tenant further agrees that if such notice relates to a Landlord default, and Landlord shall have failed to cure such default, then Landlord's Mortgagee(s) shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any such Mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default, (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure) in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

Section 13.05. Estoppel Certificate.

Each of Landlord and Tenant, within ten (10) business days after receiving notice from, and without charge or cost to, the other, shall certify by written instrument to the other or any other Person designated by Landlord or Tenant: (i) that this Lease is in full force and effect and unmodified (or if modified, stating the modification); (ii) the dates, if any, to which each component of the Rent due under this Lease has been paid; (iii) whether Landlord or Tenant has failed to perform any covenant, term or condition under this Lease, and the nature of Landlord's or Tenant's failure, if any; and (iv) such other relevant and reasonable information as Landlord or Tenant may request.

Section 13.06. Quiet Enjoyment.

Landlord covenants that it has full right, power and authority to enter into this Lease and that Tenant, upon performing all of Tenant's obligations under this Lease and timely paying all Rent, shall peaceably and quietly have, hold and enjoy the Premises during the Term without hindrance, ejection or

molestation by any Person lawfully claiming by, through or under Landlord, subject, however, to the provisions of this Lease and all Mortgages, easements, licenses, covenants, restrictions, encumbrances, and matters of record to which this Lease is subject or may become subject.

Article 14.

ASSIGNMENT AND SUBLETTING

Section 14.01. Landlord's Consent Required.

A. Tenant and any permitted Transferee, as hereinafter defined, shall not voluntarily or involuntarily, by operation of law or otherwise: (i) transfer, assign, mortgage, encumber, pledge, hypothecate, or assign all or any of its interest in this Lease; (ii) sublet or permit the Premises, or any part thereof, to be used by others including, but not limited to, concessionaires or licensees; (iii) issue new stock (or partnership shares or membership interests), create additional classes of stock (or partnership shares or membership interests), or sell, assign, hypothecate or otherwise transfer the outstanding voting stock (or partnership shares or membership interests) so as to result in a change in the present control of Tenant or any permitted Transferee, provided, however, that this subparagraph (iv) shall not be applicable to Tenant so long as it is a publicly owned corporation whose outstanding voting stock is listed on a national securities exchange (as defined in the Securities Exchange Act of 1934, as amended) or is traded actively in the over-the-counter market; or (v) sell, assign or otherwise transfer all or substantially all of Tenant's or any permitted Transferee's assets; without the prior consent of Landlord, in each instance, which consent Landlord may not unreasonably withhold, condition or delay provided that Landlord shall have the right to withhold its consent, in its sole and absolute discretion, if any proposed Transferee proposes to use the Premises for any other use other than the Permitted Use. All of the foregoing transactions shall be referred to collectively or singularly as a "Transfer", and the Person to whom Tenant's interest is transferred shall be referred to as a "Transferee". In providing its consent to any Transfer, Landlord shall be entitled to consider, without limitation, the type of establishment that will be operated in the Premises and the character and reputation of the establishment's operator.

B. Any Transfer without Landlord's consent shall not be binding upon Landlord, shall confer no rights upon any third Person, and shall, without notice or grace period of any kind, constitute a Default by Tenant under this Lease. Acceptance by Landlord of Rent following any Transfer shall not be deemed to be: (i) a consent by Landlord to any such Transfer; (ii) acceptance of the Transferee as a tenant; (iii) release of Tenant from the performance of any covenants herein; or (iv) waiver by Landlord of any remedy of Landlord under this Lease, although amounts received shall be credited by Landlord against Tenant's Rent obligations. Consent by Landlord to any one Transfer shall not (i) be a waiver of the requirement for consent to any other Transfer or (ii) relieve Tenant or any Guarantors hereunder from its duties, obligations or responsibilities under this Lease or any guaranty hereof. No reference in this Lease to assignees, concessionaires, subtenants or licensees shall be deemed to be a consent by Landlord to occupancy of the Premises by any such assignee, concessionaire, subtenant or licensee.

C. Tenant shall remain fully and primarily liable and obligated under this Lease for the entire Term in the event of any Transfer, and in the event of a Default by the Transferee, Landlord shall be free to pursue Tenant, the Transferee, or both, without prior notice or demand to either.

D. Notwithstanding anything herein to the contrary, in the event that Tenant sells all or substantially all of its business operations at the Premises (through a sale of all or substantially all of the membership interest in Tenant or assets of Tenant), Tenant shall be entitled to retain one hundred percent (100%) of the proceeds derived from such sale whether attributable to goodwill, personal property or the then-current rent payable under this Lease. Except in connection with any Transfer made pursuant to the provisions of Section 14.01(F) below and subject to the immediately preceding sentence, in the event of any Transfer (including, without limitation, any sublease or management agreement), Tenant shall pay to Landlord, in addition to all other payments otherwise required under this Lease and as Additional Rent, one hundred percent (100%) of the total rent or charges paid directly or indirectly by Transferee to Tenant for the Transfer which are in excess of the Minimum Rent provided for in this Lease after deducting Tenant's third party, reasonable, out-of-pocket costs incurred in conjunction with the Transfer, with such costs including: (i) the cost to advertise the subject portion of the Premises for assignment or sublease; (ii) brokerage commissions and/or reasonable attorney's fees paid by Tenant; and (iii) such other reasonable, out-of-pocket costs incurred by Tenant relating to the Transfer (including any improvements made to the Premises in accordance with the Lease). Notwithstanding anything herein to the contrary, Tenant shall have no obligation to pay any proceeds received in connection with any assignment of the Premises made in connection with the sale of Tenant's business operations at the Premises; provided, however, that the proceeds shall be first used to cure any default of Tenant hereunder.

E. Except in connection with any Transfer made pursuant to the provisions of Section 14.01(F) below, if Tenant wishes to assign or sublet all or any part of the Premises, Tenant shall, by notice in writing, advise Landlord of its intention from, on and after a stated date (which shall not be less than forty-five (45) days after the date of Tenant's notice) to sublet or assign any part or all of the Premises for the balance or any part of the Term. Tenant's notice shall state the name and address of the proposed subtenant or assignee, and a true and complete copy of the proposed sublease or

assignment shall be delivered to Landlord with said notice. Tenant shall, concurrently with any request for Landlord's consent, pay to Landlord a fee in the sum of Two Thousand and No/100 Dollars ($2,000.00) for Landlord's review and processing of such request and Landlord shall not be obligated to review such request prior to Landlord's receipt of such fee. The aforesaid fee shall automatically increase by three percent (3%) on each anniversary of the Term Commencement Date. All reasonable costs and expenses, including attorney's fees incurred by Landlord in connection with any proposed or purported assignment, transfer or sublease shall be borne by Tenant and shall be payable to Landlord as additional rent.

F. So long as Tenant is not entering into the "Permitted Transfer" (as defined below) for the purpose of avoiding or otherwise circumventing the terms of this Section, Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises, without the consent of Landlord, to the following: (i) a bona-fide operating company of the Tenant; (ii) the tenant of the 3245 Property (pursuant to a space sharing agreement for certain space in the Premises, as opposed to an assignment or sublease of the entire Premises); (iii) an affiliate, subsidiary, or parent of Tenant, or a corporation, partnership or other legal entity wholly owned by Tenant; or (iv) to a concessionaire, franchisee or licensee for the operation of any portion of the business to be conducted at the Premises, provided that no concessionaire or licensee shall occupy more than twenty five percent (25%) of the rentable area of the Premises or have a separate exterior entrance (each, an "Affiliated Party"), provided that all of the following conditions are satisfied (each such Transfer is referred to herein as a "Permitted Transfer"): (1) Tenant is not in default under this Lease beyond applicable cure periods at the time Tenant provides the "Permitted Transfer Notice" (as hereafter defined); (2) Tenant shall give Landlord written notice at least thirty (30) days prior to the effective date of the proposed commencement of the assignment (the "Permitted Transfer Notice"); and (3) Tenant continues to have a net worth which is at least equal to the greater of Tenant's tangible net worth as of the Effective Date or Tenant's tangible net worth as of the day prior to the Permitted Transfer. The Permitted Transfer Notice shall include information and documentation showing that each of the above conditions has been satisfied. If requested by Landlord, Tenant's successor shall sign a commercially reasonable form of assumption agreement. As used herein, (A) "parent" shall mean a company which owns a majority of Tenant's voting equity; (B) "subsidiary" shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; and (C) "affiliate" shall mean an entity controlled by, controlling or under common control with Tenant.

Article 15.

DEFAULT AND REMEDIES

Section 15.01. Default.

Each of the following events shall constitute a default ("Default") by Tenant under this Lease: (i) if Tenant fails to pay any Rent (or any installment thereof) within three (3) business days after receipt of written notice from Landlord that the same was not timely paid; or (ii) if Tenant breaches or fails to observe or perform any term, condition or covenant of this Lease, other than those involving the payment of Rent or failure to continuously occupy and operate the Premises as required, and such breach or failure is not cured within thirty (30) days after Tenant's receipt of notice thereof, unless such condition cannot reasonably be cured within such thirty (30) days, in which case Tenant must commence such cure within said thirty (30) days and diligently pursue said cure to its completion (provided, however, if such breach or failure creates a hazard, public nuisance or dangerous situation, said thirty (30) day grace period shall be reduced to forty-eight (48) hours after Tenant's receipt of notice); or (iii) if Tenant shall fail to observe or perform according to the provisions of Article 13 of this Lease, and such failure is not cured within five (5) business days after Tenant's receipt of notice thereof; or (iv) if Tenant vacates, abandons or ceases to continuously operate the Premises as required; or (v) if Tenant fails to carry and maintain the insurance required by this Lease.

Section 15.02. Remedies and Damages.

A. Upon the occurrence of a Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below), may do any one or more of the following:

(i) Landlord may elect to terminate this Lease, and the tenancy created hereby by giving notice of such election to Tenant, and thereafter re-enter the Premises by summary proceedings or otherwise, remove Tenant and all other persons and property from the Premises, and store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant without resort to legal process and without Landlord being deemed guilty of trespass or becoming liable in any way for any loss or damage occasioned thereby.

(ii) Landlord may terminate the right of the Tenant to possession of the Premises without terminating Tenant's obligations hereunder, by giving written notice thereof to Tenant and Tenant's right of possession shall end on the date stated in such notice.

(iii) [Intentionally Deleted]

(iv) Landlord may perform, on behalf and at the expense of Tenant, any obligation of Tenant under this Lease which Tenant has failed to perform and of which Landlord shall have given

Tenant notice, the cost of which performance by Landlord, together with interest thereon at the Interest Rate from the date of such expenditure plus an administrative fee of twelve percent (12%) of the cost thereof, shall be deemed Additional Rent and shall be payable by Tenant to Landlord upon demand therefor. Notwithstanding anything to the contrary contained herein, regardless of whether a Default shall have occurred, Landlord may exercise the remedy described in this clause (iv) without any notice to Tenant if Landlord, in its good faith judgment believes it would be materially injured by failure to take rapid action or if the unperformed obligation of Tenant constitutes an emergency.

(v) Landlord may exercise any other legal or equitable right or remedy which it may have.

B. (i) If this Lease or Tenant's possessory interest pursuant hereto is terminated by Landlord by reason of a Default by Tenant, Tenant nevertheless shall remain liable for any Rent and damages which may be due or sustained prior to such termination, and all reasonable costs, fees and expenses, including attorneys' fees, incurred by Landlord in pursuit of its remedies hereunder, and/or in connection with any bankruptcy proceedings of Tenant or any guarantor of Tenant, and/or in connection with renting the Premises to others from time-to-time (all such Rent, damages, costs, fees and expenses being referred to herein as "Termination Damages"), plus additional damages ("Liquidated Damages") which shall be an amount equal to the present worth (as of the date of such termination) of Rent which, but for the termination of this Lease, would have become due during the remainder of the Term less the reasonable rental value of the Premises during the remainder of the Term (after considering any reasonable down-time necessary to relet the Premises). Such Termination Damages and Liquidated Damages shall be payable to Landlord in one lump sum on demand, bearing interest at the Interest Rate until paid. "Present Worth" shall be computed by discounting such amount to present worth at a rate equal to one percentage (1%) point above the discount rate then in effect at the Federal Reserve Bank nearest to the building. The Percentage Rent payable with respect to each Lease Year following termination (including the Lease Year in which such termination shall take place) shall be conclusively presumed to be equal to the average Percentage Rent payable with respect to each Lease Year or portion thereof preceding termination.

(ii) If this Lease is terminated by reason of a Default by Tenant, Landlord may (without so obligating itself) relet the Premises or any part thereof, alone or together with other premises, for such term or terms (which may be greater or less than the period which otherwise would have constituted the balance of Term) and on such terms and conditions (which may include concessions or free rent and alterations of the Premises) as Landlord may determine, in its sole discretion, but Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of, any failure by Landlord to relet the Premises or any failure by Landlord to collect any rent due upon such reletting. Notwithstanding anything herein to the contrary, Landlord agrees to exercise reasonable commercial efforts to mitigate its damages in the event of any default by Tenant under this Lease.

(iii) Notwithstanding anything to the contrary set forth herein, upon the occurrence of a Default, if (i) Landlord must initiate legal action to enforce any one or more of the provisions of this Lease against Tenant, its successors or assigns, or (ii) Landlord must consult with and/or engage an attorney(s) in order (A) to enforce any one or more of the provisions of this Lease against Tenant, any guarantor of Tenant, their successors or assigns, or (B) in connection with any bankruptcy proceedings of Tenant or any guarantor of Tenant, whether or not such consultation and/or engagement results in the initiation of any judicial action or termination of this Lease, then and in any of such events, Tenant, its successors and assigns, undertakes and agrees to pay any and all reasonable costs incurred by Landlord in connection therewith, including, by way of illustration and not of limitation, all reasonable attorneys' fees (inclusive of consultation fees, research costs, and correspondence fees), court costs and any similar professional fees and/or costs associated therewith which shall be deemed additional rent.

(iv) In the event Landlord relets the Premises, or any part thereof, in combination with other premises, or for a term extending beyond the scheduled expiration of the Lease Term, it is understood that Tenant will not be entitled to apply any Rent, Additional Rent or other sums generated or projected to be generated by any such other premises or in the period extending beyond the scheduled expiration of the Lease Term against Landlord's damages.

Section 15.03. Remedies Cumulative.

No reference to any specific right or remedy in this Lease shall preclude Landlord from exercising any other right, from having any other remedy, or from maintaining any action to which it may otherwise be entitled under this Lease, at law or in equity.

Section 15.04. Waiver.

A. Landlord shall not be deemed to have waived any provision of this Lease, or the breach by Tenant of any such provision, unless specifically waived by Landlord in a writing executed by an authorized officer of Landlord. No waiver of a breach shall be deemed to be a waiver of any subsequent breach by Tenant of the same provision, or of the provision itself, or of any other provision.

B. Tenant hereby expressly waives any and all rights of redemption and any and all rights to relief from forfeiture which would otherwise be granted or available to Tenant under any present or future statutes, rules or case law.

C. In any litigation (whether or not arising out of or relating to the Lease) in which Landlord and Tenant shall be adverse parties, both Landlord and Tenant knowingly, voluntarily and intentionally waives their respective rights to trial by jury.

D. Tenant agrees to waive any and all counterclaims Tenant may have in any suit for possession by Landlord (other than mandatory counterclaims which would be waived if not asserted at that time) it being understood that the subject of any such counterclaim may be asserted by Tenant but only in a separate action brought by Tenant against Landlord.

Article 16.

MISCELLANEOUS PROVISIONS

Section 16.01. Notices.

A. Whenever any demand, request, approval, consent or notice (singularly and collectively, "Notice") shall or may be given by one party to the other, such Notice shall be in writing and addressed to the parties at their respective addresses as set forth in Section 1.01 and served by (i) hand, (ii) a nationally recognized overnight express courier, or (iii) registered or certified mail, return receipt requested. The date the Notice is received shall be the date of service of Notice. If an addressee refuses to accept delivery, however, then Notice shall be deemed to have been served on either (i) the date hand delivery is refused, (ii) the next business day after the Notice was sent in the case of attempted delivery by such overnight courier, or (iii) five (5) business days after mailing the Notice in the case of registered or certified mail. Either party may, at any time, change its Notice address by giving the other party Notice, in accordance with the above, stating the change and setting forth the new address.

B. If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no Notice thereafter sent by Tenant to Landlord shall be effective unless and until a copy of the same shall also be sent to such Mortgagee, in the manner prescribed in this Section 16.01, to the address as such Mortgagee shall designate.

Section 16.02. Recording.

Neither this Lease nor a memorandum thereof shall be recorded without the prior written consent of Landlord.

Section 16.03. Interest and Administrative Costs.

A. If (i) Tenant fails to make any payment under this Lease when due, (ii) Landlord performs any obligation of Tenant under this Lease, or (iii) Landlord incurs any costs or expenses as a result of Tenant's Default under this Lease, then Tenant shall pay, upon demand, Interest (as defined in Section 1.02 hereof) from the date such payment was due or from the date Landlord incurs such costs or expenses relating to the performance of any such obligation or Tenant's Default.

B. If Tenant requests Landlord to review and/or execute any documents in connection with this Lease, including (but not limited to) assignment and Transfer documents or a Landlord's waiver or subordination of lien, Tenant shall pay to Landlord, upon demand, as an administrative fee for the review and/or execution thereof, all reasonable costs and expenses, including reasonable attorney's fees (which shall include the cost of time expended by in-house counsel) incurred by Landlord and/or Landlord's agent.

Section 16.04. Legal Expenses.

If Landlord or Tenant institutes any suit against the other in connection with the enforcement of their respective rights under this Lease, the violation of any term or provision of this Lease, the declaration of their rights hereunder, or the protection of Landlord's or Tenant's interests under this Lease, the non-prevailing party shall reimburse the prevailing party for its reasonable expenses incurred as a result thereof, including (but not limited to) court costs and reasonable attorneys' fees. Notwithstanding the foregoing, if Landlord files any legal action for collection of Rent or any eviction proceedings, whether summary or otherwise, for the non-payment of Rent, and Tenant pays such Rent prior to the rendering of any judgment, then Landlord shall be entitled to collect, and Tenant shall pay, all court filing fees and the reasonable fees of Landlord's attorneys.

Section 16.05. Successors and Assigns.

This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord and Tenant, and their respective permitted successors and assigns. Upon any sale or other transfer by Landlord of its interest in the Premises, Landlord shall be relieved of any obligations under this Lease accruing subsequent to such sale or other transfer.

Section 16.06. Limitation on Right of Recovery Against Landlord.

No shareholder, member, trustee, partner, director, officer, employee, representative or agent of Landlord shall be personally liable in respect of any covenant, condition or provision of this Lease. If

Landlord breaches or defaults in any of its obligations in this Lease, Tenant shall look solely to the equity of the Landlord in the building (and any future proceeds derived therefrom) for satisfaction of Tenant's remedies. In no event shall Landlord ever be liable for consequential or punitive damages.

Section 16.07. Time is of the Essence.

Time is of the essence with respect to each and every obligation arising under this Lease.

Section 16.08. Entire Agreement; No Representations; Modification.

This Lease is intended by the parties to be a final expression of their agreement and as a complete and exclusive statement of the terms thereof. All prior negotiations, considerations and representations between the parties (oral or written) are incorporated herein. No course of prior dealings between the parties or their officers, employees, agents or affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Lease. No representations, understandings, agreements, warranties or promises with respect to the Premises or the building of which they are a part, or with respect to past, present or future tenancies, rents, expenses, operations, or any other matter, have been made or relied upon in the making of this Lease, other than those specifically set forth herein. This Lease may only be modified, or a term thereof waived, by a writing signed by an authorized officer of Landlord and Tenant expressly setting forth said modification or waiver.

Section 16.09. Severability.

If any term or provision of this Lease, or the application thereof to any Person or circumstance, shall be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 16.10. Joint and Several Liability.

If two or more Persons shall sign this Lease as Tenant, the liability of each such Person to pay the Rent and perform all other obligations hereunder shall be deemed to be joint and several, and all Notices, payments and agreements given or made by, with or to any one of such Persons shall be deemed to have been given or made by, with or to all of them. In like manner, if Tenant shall be a partnership or other legal entity, the partners or members of which are, by virtue of any applicable law, rule, or regulation, subject to personal liability, the liability of each such partner or member under this Lease shall be joint and several and each such partner or member shall be fully obligated hereunder and bound hereby as if each such partner or member had personally signed this Lease.

Section 16.11. Broker's Commission.

Each party represents and warrants to the other party that the warrantor has dealt with no brokers and that there are no claims for brokerage commissions or finder's fees, nor will there be any such claim, arising from any act or omission of the warrantor in connection with this Lease, and the warrantor agrees to indemnify the other party and hold it harmless from all liabilities arising from any such claim, including, without limitation, the cost of attorneys' fees in connection therewith. Such agreement shall survive the termination of this Lease.

Section 16.12. Irrevocable Offer, No Option.

The submission of this Lease by Landlord to Tenant for examination shall not constitute an offer to lease or a reservation of or option for the Premises. Tenant's execution of this Lease shall be deemed an offer by Tenant, but this Lease shall become effective only upon execution thereof by both Landlord and Tenant.

Section 16.13. Inability to Perform.

Except for the payment of monetary obligations, if Landlord or Tenant is delayed or prevented from performing any of its obligations under this Lease by reason of strike, labor troubles, or any similar cause whatsoever beyond their reasonable control, the period of such delay or such prevention shall be deemed added to the time herein provided for the performance hereunder of any such obligation by Landlord or Tenant. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of either party.

Section 16.14. Survival.

Occurrence of the Termination Date shall not relieve the parties from their respective obligations accruing prior to the expiration of the Term. All such obligations shall survive termination of the Lease.

Section 16.15. Corporate Tenants.

If Tenant is not an individual, the individual(s) executing this Lease on behalf of Tenant hereby covenant(s) and warrant(s) that Tenant is duly formed, qualified to do business and in good standing in

the state in which the building is located, and such person(s) executing this Lease on behalf of Tenant are duly authorized by Tenant to execute and deliver this Lease on behalf of Tenant. Tenant shall remain qualified to do business and in good standing in said state throughout the Term.

Section 16.16. Construction of Certain Terms.

The term "including" shall mean in all cases "including, without limitation." Wherever either party is required to perform any act hereunder, such party shall do so at its sole cost and expense, unless expressly provided otherwise. All payments to Landlord, other than Minimum Rent, whether as reimbursement or otherwise, shall be deemed to be Additional Rent, regardless of whether denominated as "Additional Rent." The parties agree that this Lease shall be deemed to have been prepared by both parties and any ambiguities shall be construed without regard to which party may have drafted the particular clause containing the ambiguity.

Section 16.17. Showing of Premises.

Landlord may, upon reasonable prior notice, enter upon the Premises for purposes of showing the Premises to Mortgagees or prospective Mortgagees at any time during the Term and, to prospective tenants. Landlord agrees to exercise commercially reasonable efforts to minimize interference with Tenant's business operations during any such access.

Section 16.18. Relationship of Parties.

This Lease shall not create any relationship between the parties other than that of Landlord and Tenant.

Section 16.19. Rule Against Perpetuities.

Notwithstanding any provision in this Lease to the contrary, if the Term has not commenced within twenty-four months following the date hereof, this Lease shall automatically terminate on such date. The sole purpose of this provision is to avoid any possible interpretation of this Lease as violating the Rule Against Perpetuities, or any other rule of law or equity concerning restraints on alienation.

Section 16.20. Choice of Law.

This Lease shall be construed, and all disputes, claims, and questions arising hereunder shall be determined, in accordance with the laws of the District of Columbia.

Section 16.21. Choice of Forum.

Any action involving a dispute relating in any manner to the Lease, the relationship of Landlord/Tenant, the use or occupancy of the Premises, and/or any claim of injury or damage shall be filed and adjudicated solely in the state or federal courts of the jurisdiction in which the Premises are located.

[REMAINDER OF PAGE INTENTIONALLY BLANK;
EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this Lease under their respective hands and seals as of the day and year first above written.

WITNESS:

LANDLORD:

2441 Bond St Equities, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

WITNESS:

TENANT:

Pure Hospitality, LLC,
a District of Columbia limited liability company

By: _____
Name: JONATHAN UMEH
Title: Managing member

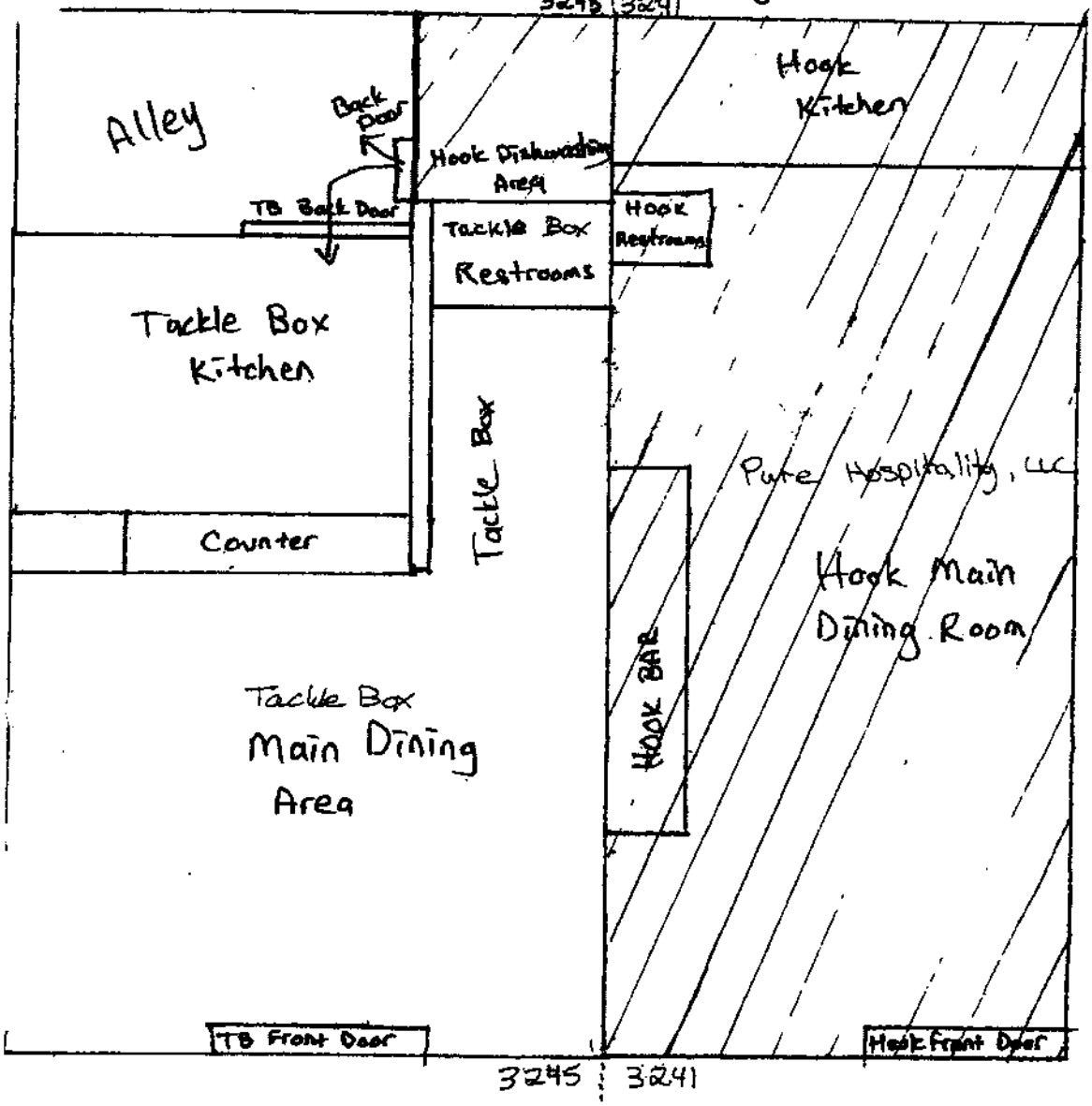
EXHIBIT A

PREMISES

Exhibit A

HOOK TO TACKLE BOX ENTRY
MAIN FLOOR
And Back Entry.

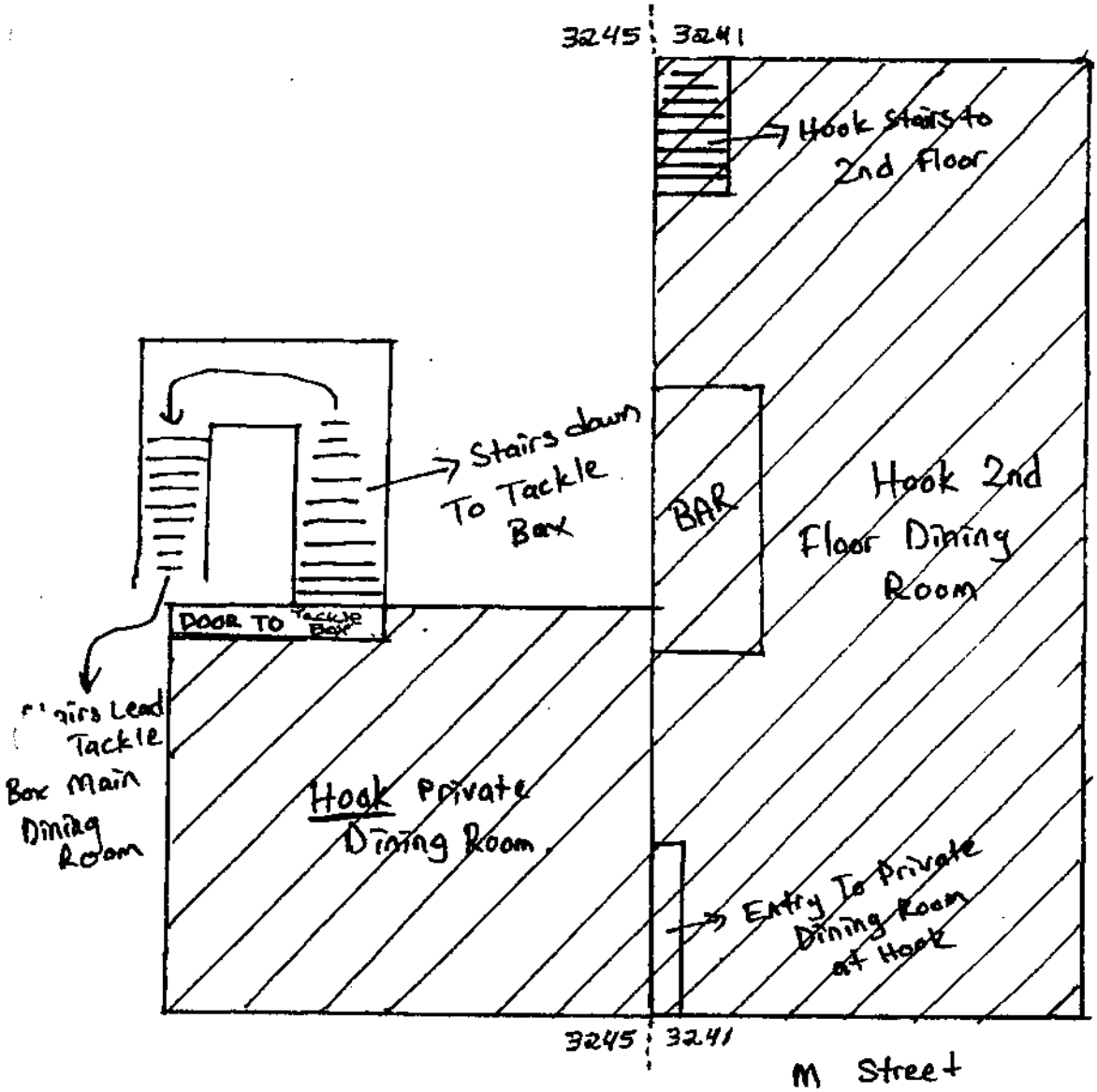
Pure Hospitality, LLC
Lease



Pure Hospitality, LLC = d.b.a ; Hook

Exhibit A
Pure Hospitality Lease

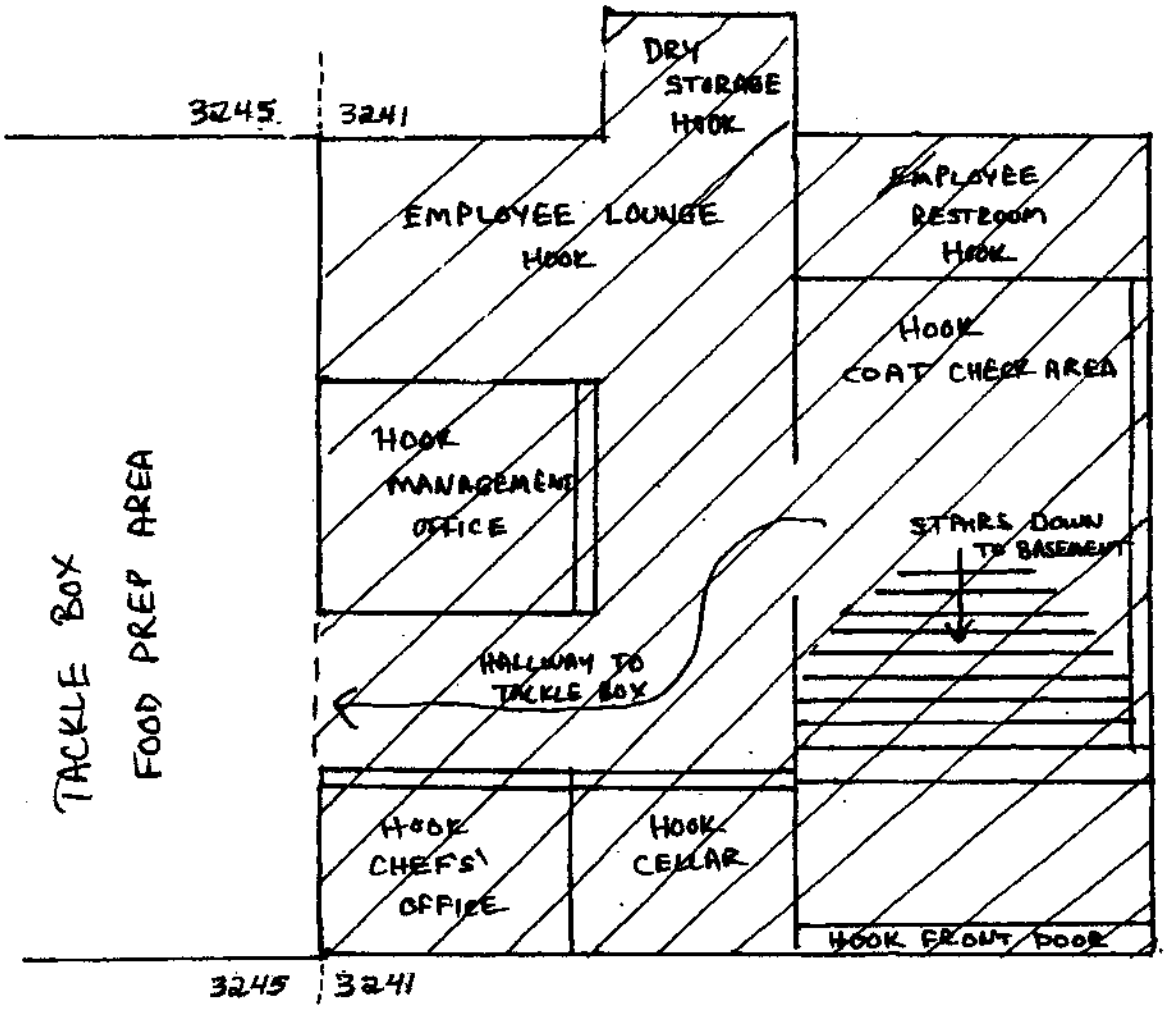
HOOK TO TACKLE BOX ENTRY
SECOND FLOOR



Hook = Pure Hospitality, LLC

Pure Hospitality Lease

HOOK TO TACKLE BOX ENTRY
BASEMENT LEVEL



Hook = Pure Hospitality, LLC

EXHIBIT B

GUARANTY OF LEASE AGREEMENT

THIS GUARANTY OF LEASE AGREEMENT is executed simultaneously with attached Lease.

In consideration of the execution of that certain Lease Agreement (the "Lease"), dated as of the 28 day of September, 2010, by and between 2441 Bond St Equities, LLC, a Delaware limited liability company, (in the Lease and hereinafter referred to as "Landlord"), and Pure Hospitality, LLC, a District of Columbia limited liability company (in the Lease and hereinafter referred to as "Tenant") and for other good and valuable consideration, the receipt whereof is hereby acknowledged, Jonathan Umbel and Bethany Umbel, jointly and severally (hereinafter collectively referred to as the "Guarantor"), do unconditionally guarantee to Landlord, its successors and assigns, the performance by Tenant, of each and every undertaking, covenant and agreement on the part of Tenant to be performed pursuant to the Lease, to the same extent and with the same full force and effect as though the Guarantor had been named in the Lease as tenant, either singularly or as a tenant jointly and severally with Tenant, it being understood and agreed that the obligation hereby assumed shall be deemed primary and not secondary and that Landlord, its successors or assigns, may proceed for the enforcement of any such covenant, condition or undertaking against the Guarantor, or jointly against the Guarantor and Tenant, without having first proceeded separately against Tenant.

Guarantor does hereby irrevocably, unconditionally and without reservation guarantee to the Landlord and Landlord's successors in interest and assigns, the following:

(a) the due and punctual payment in full (and not merely the collectibility) when and as due of all rentals, including any escalations or additional rental due under said Lease, and

(b) the due and punctual performance and completion by Tenant of all covenants, undertakings, duties, agreements, liabilities, obligations and requirements made by or imposed upon the Tenant pursuant to the terms and provisions of said Lease.

All matters mentioned in clauses (a) and (b) the preceding sentence are hereinafter collectively sometimes called the "Obligations". Notwithstanding the foregoing or anything contained herein to the contrary, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to (i) the sum of twelve (12) months' Minimum Rent and Additional Rent payable hereunder (at the rate then in effect under the Lease during the twelve (12) month period following commencement of the undersigned's payment obligations hereunder); and (ii) the costs and expenses, including without limitation all court costs, all expenses and all reasonable attorney's fees, paid or incurred by Landlord in the enforcement of Landlord's rights under said Lease and under this Guaranty. Notwithstanding the foregoing or anything contained herein to the contrary, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to any Obligations first accruing during the initial ninety (90) months following the Term Commencement Date. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Tenant's interest in the Lease is assigned, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to any Obligations first accruing for the initial twenty-four (24) months following the effective date of such assignment, provided that such assignee provides a guaranty from a guarantor reasonably acceptable to Landlord providing for the guaranty of the Obligations set forth and as limited herein, excepting the limitation provided pursuant to this sentence.

The Guarantor hereby expressly further covenants and agrees that if any default shall be made by the Tenant in the payment of any of the aforesaid Obligations at any time(s) beyond any applicable grace period, then and in any such event the Guarantor will truly pay said Obligations and all arrears thereof and perform and complete said Obligations and all defaults thereunder, and all damages, claims, demands, costs and expenses which the Landlord may suffer or sustain or which may arise in consequence of the breach or non-performance by Tenant of any of Tenant's Obligations under said Lease.

The liabilities and undertakings of the Guarantor hereunder, if more than one person or entity is the Guarantor hereunder, shall be joint and several. The liabilities and undertakings of Guarantor shall be and are primary, direct and immediate and shall not be conditional or contingent upon the pursuit or enforcement by Landlord of any remedies it may have against the Tenant with respect to the Lease, whether pursuant to the terms thereof or by operation of law. Without limiting the generality of the foregoing, it is agreed that Landlord need not make any demand on Tenant or otherwise pursue, enforce or exhaust its remedies against Tenant either before, concurrently with or after pursuing or enforcing its rights and remedies hereunder. Any one or more successive or concurrent actions or proceedings may be brought against any one or more Guarantors (if more than one) under this Guaranty, in separate actions or proceedings, as often as Landlord may deem expedient or advisable, and without constituting an election of remedies or a bar to any other remedies available to Landlord.

Guarantor hereby expressly waives (i) presentment and demand for payment of the Obligations and protest of non-payment; (ii) notice of acceptance by Landlord of this Guaranty Agreement and of presentment, demand and protest thereof; (iii) notice of any default hereunder or under the Lease and notice of all indulgences; (iv) demand for observance, performance or enforcement of any of the terms or provisions of this Guaranty Agreement or the Lease; (v) any right or claim of right to cause a marshaling

of the assets of the Tenant; (vi) any and all rights which either may have to request a jury trial in any proceeding at law or in equity in any court of competent jurisdiction and (vii) all other notices and demands otherwise required by law which the Guarantor may lawfully waive. Until all of Tenant's obligations under the Lease are fully performed, Guarantor (a) waives any rights that Guarantor may have against Tenant by reason of any one or more payments or acts in compliance with the obligations of Guarantor under this Guaranty; and (b) subordinates any liability or indebtedness of Tenant held by Guarantor to the obligations of Tenant to Landlord under the Lease.

Guarantor hereby further agrees that the failure of Landlord to require strict performance at any time(s) of the terms, provisions or covenants of said Lease or any waiver by Landlord of performance by Tenant thereunder, shall not release the undersigned Guarantor from any liability under this Guaranty. Guarantor hereby agrees that the terms and provisions of said Lease may be amended or modified in any manner in writing by the parties thereto without notice to the Guarantor, and without said Guarantor's consent, approval or waiver, and without thereby releasing the Guarantor from any liability under this Guaranty. This Guaranty, and the Guarantor's liabilities and obligations hereunder, shall extend fully to said Lease and also to all of the terms and provisions of any and all amendments, modifications or changes at any times(s) made to said Lease, with or without notice thereof. This Guaranty and the Guarantor's liability hereunder shall continue unaffected by any assignment or assignments of the Lease (in whole or in part) or by any sublettings in whole or in part of the premises demised thereunder, made from time to time, whether or not notice thereof is given to Guarantor. The Guarantor hereby expressly waives all right to notice or approval by it, them or either of them of any assignment, subletting, modification or amendment affecting said Lease in whole or in part, and also as to the substance of any such modifications or amendments to said Lease made at any time(s). Guarantor hereby acknowledges its receipt of a complete copy of said Lease prior to execution of this Guaranty.

All provisions hereof shall be binding upon and enforceable against the Guarantor and/or either one of them individually, jointly and severally and shall inure to the benefit of and be enforceable by the Landlord and its successors in interest, heirs and assigns. This Guaranty and all of the terms and conditions hereunder shall be binding on Guarantor and the successors, assigns and legal representatives of Guarantor.

Time is hereby agreed to be of the essence as regards all of the Guarantors' liabilities, covenants, undertakings and obligations hereunder. To the extent permitted by law, Guarantor waives the benefit of any statute of limitations affecting Guarantor's liability under this Guaranty.

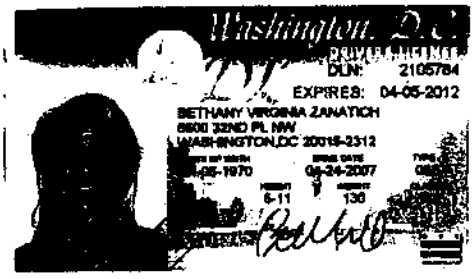
If Landlord becomes obligated by any bankruptcy or other law involving Tenant or any Guarantor as the subject debtor to repay to Tenant or any Guarantor or to any trustee, receiver or other representative or any of them, any amounts previously paid to Landlord under the Lease or the Guaranty, then this Guaranty shall be reinstated in the amount of such repayment. Landlord shall not be required to litigate or otherwise dispute its obligation to make such repayments if it in good faith and on the advice of counsel believes that such obligation exists or might exist. Neither the Guarantor's Obligations hereunder nor any remedy for the enforcement thereof shall be impaired, modified, released, limited, or affected in any way by any impairment, modification, release, or limitation of the liability of Tenant or its estate in bankruptcy, resulting from (i) the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same, (ii) the rejection or disaffirmance of the Lease in any such proceedings, or (iii) the assumption and assignment or transfer of the Lease by Tenant or Tenant's bankruptcy trustee. The Guarantor hereby waives any claim, right or remedy which the Guarantor may now have or hereafter acquire against Tenant that arises hereunder and/or from the performance by the Guarantor hereunder including, without limitation, any claim, remedy or right of subrogation, reimbursement exoneration, indemnification, or participation in any claim, right or remedy of Guarantor against Tenant or any security which the Guarantor now have or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise.

None of the terms or provisions of this Guaranty may be waived, modified, discharged or terminated except by instrument in writing executed by the Landlord. None of the terms or provisions of this Guaranty shall be deemed to have been abrogated or waived by reason of any failure or failures of Landlord to enforce the same. No Guarantor shall be relieved of any liability hereunder by reason of the failure of Landlord to comply with any request of Guarantor or of any other person to take action to enforce any provisions of the Lease or by reason of any agreement of stipulation extending the time of payment of the Obligations or of performance or modifying the terms of the Lease without first having obtained the consent of the Guarantor.

If Tenant holds over beyond the expiration or other termination of the term of the Lease, the Guarantor's Obligations hereunder shall extend and apply with respect to the full and faithful performance and observance of all of the Obligations throughout the duration of any such hold over period.

The Guarantor further acknowledges that the Guarantor shall be subject to the jurisdiction of the Courts of the District of Columbia, and that this Guaranty shall be construed according to the laws of the District of Columbia, for the purpose of any proceeding instituted to enforce any covenant or undertaking hereby assumed.

If Guarantor is an entity, the undersigned hereby warrants and represents that this Guaranty has been duly authorized by all necessary action of such entity, has been duly executed and delivered by a



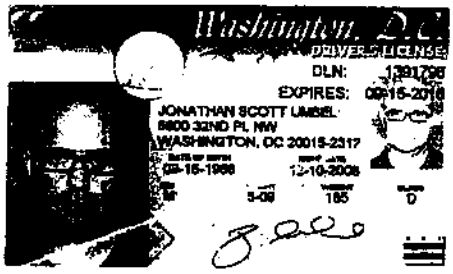


Class of License:
D Vehicles for non-commercial and personal use. Adds Class M vehicles.

Endorsements:
NONE

Restrictions:
NONE







Class of License:
D Vehicles under 26,001 pounds for non-commercial and personal use; except motorcycles. Adds Class M vehicles.

Endorsements:
NONE

Restrictions:
Must wear glasses or contact lenses



EXHIBIT C

CERTIFICATE OF LEASE COMMENCEMENT DATE

ATTACHED to and made a part of the Lease dated 28 day of SEPT, 2010 (the "Lease"), entered into by and between 2441 Bond St Equities, LLC, as Landlord, and Pure Hospitality, LLC, as Tenant.

The undersigned Landlord and Tenant do hereby declare as follows:

i. The date of the Lease is SEPT. 28, 2010

ii. The Term Commencement Date is SEPT. 28, 2010

iii. The Term shall expire on SEPT. 30, 2020

iv. As of the date of the acceptance as herein set forth, there is, to the actual knowledge of Tenant, no right of set off of any kind whatsoever claimed by Tenant against Landlord.

Witness:

LANDLORD:

2441 Bond St Equities, LLC, a Delaware limited liability company

By: _____ (SEAL)
Name: BRIAN FRIEDMAN
Title: member

Witness:

TENANT:

Pure Hospitality, LLC, a District of Columbia limited liability company

By: _____ (SEAL)
Name: JONATHAN WAGEC
Title: Managing member.

EXHIBIT D

I. **TENANT'S ASSIGNEE**

GROSS SALES REPORT FORM

Please mail to:

Phone:
Fax:

Tenant's Assignee's Name: _____

Premises: 3241 M

Date: _____

I hereby certify that, to the best of my knowledge, Gross Sales as defined in the Lease for the above location are as follows:

Month:	_____
Year:	_____
Sales Amount for Month:	_____
Sales Amount Lease Year to Date:	_____
Applicable Lease Year Annual Breakpoint:	_____
Percentage Rent Payable for Month:	_____

Tenant's assignee:

By:_____
Name:_____
Title:_____

II. **TENANT**

GROSS SALES REPORT FORM

Please mail to:

Phone:
Fax:

Tenant: Pure Hospitality, LLC

Premises: 3241 M

Date: _____

I hereby certify that, to the best of my knowledge, Gross Sales as defined in the Lease for the above location are as follows:

Quarter: _____
Year: _____
Sales Amount for Quarter: _____
Sales Amount Lease Year to Date: _____

Pure Hospitality, LLC

By:_____
Name:_____
Title:_____

EXHIBIT D

AFTER RECORDING,
PLEASE RETURN TO:

Todd S. Deckelbaum
Vice President
SETTLEMENTCORP
5301 Wisconsin Avenue, N.W. #710
Washington, D.C. 20015
S-6940

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made and entered into on this day 14th of September, 2010, by and between (i) **MST LLC** ("Grantor"), whose address is c/o Frederick Tansill, Esq., Frederick J. Tansill & Associates, LLC, 6723 Whittier Avenue, Suite 104, McLean, Virginia 22101-4533, and (ii) **2441 Bond St Equities, LLC**, a Delaware limited liability company (the "Grantee"), whose address is c/o Wexford Capital L.P., 411 West Putnam Avenue, Greenwich, Connecticut 06830.

WITNESSETH:

In consideration of Two Million Dollars ($2,000,000.00), the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL and CONVEY, with Special Warranty, unto Grantee, as sole owner, its successors and assigns, in fee simple, the parcel of land located in the District of Columbia, described on Exhibit A attached hereto.

TOGETHER with all buildings, fixtures and other improvements located in or on such parcel of land; and

TOGETHER with all easements, rights-of-way, appurtenances, licenses and privileges belonging or appurtenant to such land; and

TOGETHER with all mineral, gas, oil and water rights, sewer rights, other utility rights, and development rights now or hereafter allocated or allocable to such land; and

TOGETHER with all right, title and interest of Grantor in and to any land lying in the bed of any street, road, avenue or alley, open or closed, adjacent to such land, to the center line thereof.

TO HAVE AND TO HOLD all of the aforesaid property (collectively, the "Property") unto the use and benefit of Grantee, its successors and assigns, in fee simple forever.

This conveyance is expressly made subject only to the easements, covenants, conditions and restrictions set forth on Exhibit B.

Grantor covenants to specially warrant the Property hereby conveyed, that it has the right to convey the Property to Grantee and that Grantor will execute such further assurances of the Property as may be requisite.

IN WITNESS WHEREOF, the Grantor has on this 14th day of September, 2010, caused this deed to be executed by Paul L. Sweeney, Jr. and Henry A. Sweeney, its Managing Members, and acknowledges and delivers these presents in their capacity as Managing Member of MST LLC as its act and deed, the Grantor herein. In witness whereof, we have hereunto set our hand and official seal.

GRANTOR:

MST LLC, a District of Columbia limited liability company

By: _____ (SEAL) 09-14-10
Name: Paul L. Sweeny, Jr.
Title: Managing Member

By: _____ 9/17/10 (SEAL)
Name: Henry A. Sweeny
Title: Managing Member

Commonwealth of Virginia
County of Fairfax, to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Paul L. Sweeny, Jr., Co-Managing Member of MST, LLC, a District of Columbia limited liability company, whose name is signed to the foregoing annexed Special Warranty Deed bearing date on the 14th day of September, 2010, and who is known to me to be the person named therein, did personally appear before me this day and acknowledge the same to be the act and deed of MST LLC, as the Co-Managing Member thereof.

GIVEN under my hand and seal this 14th day of September, 2010.

Anne L. Trigg
NOTARY PUBLIC

ANNE L. TRIGG COMMONWEALTH OF VIRGINIA ID# 139678 NOTARY PUBLIC

My Commission Expires: 07/31/2012

State of Florida
County of Marion, to-wit:

I, the undersigned, a Notary Public in and for the jurisdiction aforesaid, do hereby certify that Henry A. Sweeny, Co-Managing Member of MST, LLC, a District of Columbia limited liability company, whose name is signed to the foregoing annexed Special Warranty Deed bearing date on the 17th day of September, 2010, and who is known to me to be the person named therein, did personally appear before me this day and acknowledge the same to be the act and deed of MST LLC, as the Co-Managing Member thereof.

GIVEN under my hand and seal this 17th day of September, 2010.

Cynthia D Guenette
NOTARY PUBLIC

My Commission Expires: 05/11/2011

CYNTHIA DENISE GUENETTI
MY COMMISSION # DD647600
EXPIRES May 11, 2011
(407) 398-0153 FloridaNotaryService.com

EXHIBIT A
TO
SPECIAL WARRANTY DEED

(Legal Description)

Lot numbered Ninety-Nine in Fannie B. Gunnell's subdivision of part of Lot numbered Fifteen (15) in Square numbered Twelve Hundred and Seven (1207), as per plat recorded in the Office of the Surveyor for the District of Columbia in Liber 24 at folio 54.

Being Lot 99 of the same property described in Instrument Number 2000075169 among the said Land Records.

Now known for assessment and taxation purposes as Square 1207, Lot 99.

EXHIBIT B
TO
SPECIAL WARRANTY DEED

(Easements, Covenants, Conditions and Restrictions)

All the exceptions, easements, covenants, agreements and other matters of record affecting the Property.

Receipt# 1076006

LARRY TODD
RECORDER OF DEEDS
WASH DC RECORDER OF DEEDS
1101 4TH STREET SW
SUITE W 500
WASHINGTON, DC
20024-
(202) 727-5374

Doc# 2010004185 Pgs: 5
Doc Type: DEED BSA

RECORDING	$	41.00
RECORDATION TAX FEE	$	29,000.00
SURCHARGE	$	6.50
TRANSFER TAX FEE	$	29,000.00
Total	$	58,047.50
Check Amt. Tendered	$	58,047.50
Change Due	$	0.00
Balance	$	0.00

Check Number		Amount
23574	$	58,000.00
23571	$	47.50

Total Documents: 1
Total Fees: 4

Client Name SETTLEMENT CORD
09/28/2010 10:50:16 AM

Cashier: CARLAB

EXHIBIT E

LEASE

BETWEEN

2441 Bond St Equities, LLC,
LANDLORD

AND

GBP, LLC
D/B/A Tackle Box
TENANT

3245 M Street

Georgetown, Washington, DC

DATE: 9/28/10

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LEASE AGREEMENT

This Lease Agreement (the "Lease") is made this 28 day of SEPT., 2010, by and between 2441 Bond St Equities, LLC, a Delaware limited liability company ("Landlord"), and GBP, LLC, a District of Columbia limited liability company d/b/a Tackle Box ("Tenant").

IN CONSIDERATION of the payments of rents and other charges provided for herein and the covenants and conditions hereinafter set forth, Landlord and Tenant hereby covenant and agree as follows:

Article 1.

REFERENCE PROVISIONS, DEFINITIONS AND EXHIBITS

Section 1.01. General Provisions and Definitions. The following definitions and terms may be referred to throughout the Lease:

A. Premises: The real property and the building situated thereon (the "Building") commonly referred to as 3245 M Street NW in the Georgetown Area of Washington, D.C., as legally described or otherwise depicted on Exhibit A, comprising approximately 3,354 square feet of useable space including three floors above grade and a basement. The parties acknowledge and agree that a portion of the Building is leased by the "Adjacent Tenant", as hereafter defined (such portion of the Building being the "Hook Premises"). The Hook Premises shall not be included within the definition of the term "Premises" as used in this Lease; it being agreed that Tenant shall have no rights (or obligations) with respect to the Hook Premises. The Hook Premises are more particularly delineated in Exhibit A.

B. Term: 10 Lease Years from the Term Commencement Date.

C. Options to Extend the Term: One (1) option of five (5) years, subject to the terms of Section 3.04.

D. Minimum Rent:

Beginning on the Term Commencement Date and for the first Lease Year, Tenant shall pay Minimum Rent in the annual amount of Two Hundred Thousand and 00/100 Dollars ($200,000.00), which shall be payable monthly in the amount of Sixteen Thousand Six Hundred Sixty Six and 67/100 Dollars ($16,666.67), on the first day of each month during the Term. After the first Lease Year, Minimum Rent shall be adjusted annually beginning with the second Lease Year and on the anniversary of each Lease Year thereafter by increasing the Minimum Rent by three percent (3%). The foregoing is illustrated in the following rent schedule:

Lease Year	Minimum Rent (Annual)	Monthly Payment
1	$200,000.00	$16,666.67
2	$206,000.00	$17,166.67
3	$212,180.00	$17,681.67
4	$218,545.40	$18,212.12
5	$225,101.76	$18,758.48
6	$231,854.81	$19,321.23
7	$238,810.46	$19,900.87
8	$245,974.77	$20,497.90
9	$253,354.02	$21,112.84
10	$260,954.64	$21,746.22

E. Security Deposit: Ninety-Two Thousand and 00/100 Dollars ($92,000), subject to the terms and conditions of Section 5.12 below.

F. Permitted Use: The operation of a fast-casual restaurant for on and off premises consumption that may include the sale of alcoholic beverages and for no other use without Landlord's written consent.

G. Store Hours: Tenant shall open its business during the hours of at least 11:00 a.m. to 10:00 p.m. Sunday through Thursday and 11:00 a.m. to midnight Friday and Saturday; provided Tenant may close for: (i)Thanksgiving Day, Christmas Day and New Years Day; (ii) inclement weather; (iii) reasonable periods for renovation; or (iv) in connection with a casualty or other force majeure event.

H. Address for Rent Payments: The rent payments due herein shall be made payable to Landlord and addressed as follows:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, N.W. Suite 515
Washington, D.C. 20037

I. Notice Addresses:

TO LANDLORD:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, N.W., Suite 515
Washington, D.C. 20037

And

TO TENANT:

At the Premises

J. Tenant's Trade Name: Tackle Box

K. Delivery Date: Tenant shall be deemed to have taken possession on the same date as the Term Commencement Date.

L. Term Commencement Date: The date that Landlord closes on its transaction to acquire the Premises pursuant to that certain Purchase and Sale Agreement dated April 30, 2010, as assigned to Landlord pursuant to that certain Assignment of Purchase and Sale agreements dated June 25, 2010. Landlord shall give Tenant five (5) days written notice of the closing date. The parties acknowledge and agree that Tenant is currently in possession of the Premises pursuant to a lease (the "Existing Lease") with the existing owner of the Premises. For the avoidance of doubt, the Landlord and Tenant will enter into a termination agreement that terminates the Existing Lease simultaneously with the date that this Lease becomes effective. At Landlord's request, Tenant shall within ten (10) days after request therefor, execute a confirmation of the Term Commencement Date, and the expiration date of the Lease in the form set forth on Exhibit H attached hereto. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Landlord does not close on its acquisition of the Premises prior to December 31, 2010, this Lease shall automatically terminate and be of no further force and effect and neither party shall have any obligations hereunder.

M. Termination Date: The last day of the Term, or the earlier date on which this Lease is terminated in accordance with the provisions hereof.

N. Percentage Rent: As described in Section 5.03.

O. Brokers: None

P. Schedules and Exhibits: The schedules and exhibits listed below are attached to the Lease and are hereby incorporated in and made a part of the Lease.

Exhibit A	Depiction of Premises and/or Legal Description
Exhibit B	Guaranty
Exhibit C	Certificate of Lease Commencement Date
Exhibit D	Gross Sales Report Form

Q. Interest Rate: A rate per annum of twelve and one-half percent (12.5%).

R. Lease Year: Each twelve (12) month period beginning with the Term Commencement Date, and each anniversary thereof, if the Term Commencement Date occurs on the first day of a month. If the Term Commencement Date occurs on a day other than the first day of a month, then the first Lease Year shall begin on the first day of the month following the Term Commencement Date, and all Rent payable from the Term Commencement Date through the last day of such partial calendar month shall be prorated on a per diem basis.

S. Partial Lease Year: Any period during the Term which is less than a full Lease Year.

T. Person: An individual, firm, partnership, association, corporation, limited liability company, or any other entity.

U. Additional Rent: All sums payable by Tenant to Landlord under the Lease other than Minimum Rent and Percentage Rent.

V. Rent: Minimum Rent, Percentage Rent plus Additional Rent.

W. Tax Year: A twelve (12) month period established by Landlord as the year for purposes of computing Taxes. The Tax Year may or may not coincide with a Lease Year or the period designated as the tax year by the taxing authorities having jurisdiction over the Premises.

X. Guarantors: Jonathan Umbel and Bethany Umbel. The Guarantors shall guaranty to Landlord the full performance of all of the Tenant's obligations under this Lease (subject to the limitations contained in the Guaranty); and in furtherance thereof, Guarantors shall provide Landlord with a guaranty in the form set forth on Exhibit B hereof duly executed by the Guarantors simultaneously with Tenant's execution of the Lease.

Article 2.

PREMISES AND THE BUILDING

Section 2.01. As of the Term Commencement Date, Landlord demises and leases to Tenant, and Tenant leases and takes from Landlord, the Premises. If applicable, the Premises shall include any loading dock or trash area designated exclusively for Tenant's use.

Article 3.

TERM

Section 3.01. Term.

Subject to Section 1.01(L), the Term shall commence on the Term Commencement Date and expire on the Termination Date.

Section 3.02. End of Term.

This Lease shall terminate on the Termination Date without the necessity of notice from either Landlord or Tenant. Upon the Termination Date, Tenant shall quit and surrender to Landlord the Premises, broom-clean, in good order and condition, ordinary wear and tear and damage due to casualty excepted; and shall surrender to Landlord all keys to or for the Premises.

Section 3.03. Holding Over.

If Tenant fails to vacate the Premises on the Termination Date, Landlord shall have the benefit of all provisions of law respecting the speedy recovery of possession of the Premises (whether by summary proceedings or otherwise). In addition to and not in limitation of the foregoing, occupancy subsequent to the Termination Date ("Holdover Occupancy") shall be a tenancy at will. Holdover Occupancy shall be subject to all terms, covenants, and conditions of the Lease (including, but not limited to, those requiring payment of Additional Rent), except that the Minimum Rent for each day that Tenant holds over shall be equal to the sum of: (A) one hundred fifty percent (150%) of the per diem Minimum Rent otherwise payable in the last Lease Year; plus (B) the average per diem Percentage Rent payable during the twelve month period preceding the Termination Date. Landlord also shall be entitled to recover all damages, including, but not limited to, lost business opportunity, regarding any prospective tenant(s) for the Premises, suffered by Landlord as a result of Tenant's Holdover Occupancy.

Section 3.04. Option to Extend.

Provided that Tenant is the tenant in occupancy of the entire Premises and has not sublet, assigned or otherwise transferred its interest in this Lease or the Premises except in connection with a transfer to an Affiliated Party or to an assignee that Landlord has provided its consent pursuant to the provisions of Section 14.01, Tenant shall have the option to extend the Term hereof for one (1) additional period of five (5) years (the "Option Period"), subject to the following terms and conditions:

a. Tenant may exercise such option by giving Landlord written notice, via certified mail-return receipt requested, of its intent to exercise the applicable option, such notice to be received by Landlord at least nine (9) months but no more than twelve (12) months prior to the expiration of the original Term, **TIME BEING OF THE ESSENCE.**

b. At the time of exercise or, at Landlord's election, at any time thereafter until the expiration of the original Term, (i) Tenant is not in Default under any of its obligations under the Lease (after consideration of any applicable notice and cure period), and (ii) Tenant is operating a business in the Premises in accordance with the Permitted Use.

c. Landlord and Tenant shall enter into an Amendment to Lease on Landlord's standard form no less than six months prior to the expiration of the then effective term evidencing (i) Tenant's exercise of its option, and (ii) the applicable Minimum Rent payable during the Option Period (as defined below).

d. [Intentionally Deleted]

e. All other terms and conditions of this Lease shall remain unchanged and apply during the applicable Option Period except that (i) Tenant shall have no additional Option Period other than the one (1) Option Period described in this Section 3.04, (ii) Landlord shall have no obligation to provide any improvement allowance or perform any improvements to the Premises, and (iii) the Minimum Rent in the first Lease Year of each such Option Period shall be the greater of (x) 103% of the Minimum Rent payable in the Lease Year preceding such Option Period or (y) the Minimum Rent reasonably determined by the Three Broker Method as described below. After determination of the Minimum Rent for the first Lease of the Option Period, Minimum Rent shall increase by three percent (3%) for each Lease Year thereafter during the Option Period.

f. If such option is not timely exercised, Tenant's right to renew shall expire and the Lease shall terminate at the end of the original Term.

g. Three Broker Method. The "Three Broker Method" used to determine Minimum Rent for the Option Period Minimum Rent (and in connection with the "Vitiation Notice", as defined below) shall be applied in the following manner. Landlord shall no later than 45 days and no earlier than 70 days before such calculation of fair market value is needed to account for a Minimum Rent adjustment initiate a determination of the fair market rental value by delivering written notice to Tenant of the name of a real estate broker who has at least five (5) years of experience as a broker for the leasing of retail space in the Georgetown area of Washington, D.C. Within ten (10) days after receipt of such notice, the Tenant shall provide Landlord with the name of a real estate broker who meets the same criteria by written notice. If Tenant fails to name such a broker within such period, then the fair market rental value established by the broker named by the Landlord shall be the rental rate. If the Tenant does name such a broker, then within fifteen (15) days the two brokers shall together appoint a third broker who meets the same criteria and within an additional fifteen (15) days the three brokers shall jointly determine the fair market rental value inclusive of escalations (which shall be at the rate no less than three percent (3%) each year).

In determining fair market rental value, the brokers shall each review comparable per square foot market rents and concessions then being paid by or provided to other tenants under new lease agreements for comparable spaces within a 1 block radius of the intersection of M street and Wisconsin Ave. (the use of the tenants shall be considered irrelevant, i.e. the brokers should use all retail comparables available to them and NOT only restaurants). Notwithstanding anything to the contrary, Landlord shall have no obligation to provide any then prevailing market concessions, provided that if the Landlord will not offer then prevailing market concessions, then fair market rental value will be appropriately discounted. The determination of fair market rent will also include the payment by Tenant of the Percentage Rent fixed herein. If the three brokers cannot agree, the determination of the broker who is between the two extremes shall be binding and conclusive. Each party shall pay all costs, fees and expenses of the broker they select and the parties shall share equally the costs, fees and expenses of the third broker.

Article 4.

USE AND OPERATION OF THE PREMISES

Section 4.01. Continuous Operation by Tenant.

A. Tenant shall: (i) open the Premises for business within thirty (30) days after the Term Commencement Date; (ii) employ reputable business standards and practices; and (iii) operate the entire Premises continuously and uninterruptedly during the Term for at least those hours and days specified in Section 1.01 above. Tenant shall use for storage and office space only those areas applicable to same in the basement of the Premises.

B. If Tenant violates this Section 4.01 and: (i) Landlord or any Landlord affiliate owns at least two (2) other properties within two (2) blocks of the Premises (other than the property located at 3241 M Street), then Tenant shall pay to Landlord, upon demand, in addition to Rent and any other charges under this Lease, liquidated damages (and not as a penalty) in an amount equal to the per diem Minimum Rent otherwise payable for each day such violation continues; or,(ii) Landlord or any Landlord affiliate does not own at least two (2) other properties within two (2) block of the Premises (other than the property located at 3241 M Street), then Tenant shall pay to Landlord, upon demand, in addition to Rent and any other charges under this Lease, liquidated damages (and not as a penalty) in an amount equal to ten percent (10%) of the per diem Minimum Rent otherwise payable for each day such violation continues. Payment of such sums is intended to be only a partial and temporary remedy for Landlord during the continuance of such violation, and shall not relieve Tenant of any obligation under the Lease, excuse any default or waive Landlord's other remedies therefor. Tenant acknowledges and agrees that if it breaches Section 4.01.A., Landlord shall be deprived of an important right under this Lease, and as a result thereof, will suffer damages in an amount which is not readily ascertainable, and that the foregoing is a reasonable and equitable determination of the actual damages Landlord shall suffer as a result of Tenant's breach.

Section 4.02. Use and Trade Name.

A. Tenant shall use the Premises solely for the Permitted Use set forth above and for no other purpose whatsoever without the prior written consent of Landlord. Tenant shall operate its business in the Premises solely under the Tenant Trade Name and under no other name without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

B. Tenant shall comply with all present and future laws, statutes, ordinances (including zoning ordinances and land use requirements), rules, regulations, codes and orders of any federal, state or local governmental entity, and any other quasi or quasi-public authority having jurisdiction over the building including without a limitation to those pertaining to Hazardous Materials and the Americans with Disabilities Act ("Laws") affecting the Premises or arising from Tenant's particular use or alterations thereof and all the orders or recommendations of any insurance underwriters, safety engineers, and loss prevention consultants as may from time to time be consulted by Landlord. Subject to Article 10, Tenant shall perform, at its sole cost and expense, all alterations to the Premises as are required to comply with all Laws. In no event shall Tenant use or permit its guests, invitees, employees, assignees or subtenants to use the Premises in any manner which is prohibited by Laws. Tenant acknowledges and agrees it is solely responsible for determining if its business complies with the applicable zoning or other regulations, and that Landlord makes no representation (explicit or implied) concerning such zoning or other regulations. Tenant shall, at is sole cost and expense, procure each and every permit, license or other authorization (including a certificate of occupancy) and any renewals, extensions or continuances of the same as required for Tenant's use and occupancy of the Premises and Tenant's conduct of its business operations. The parties acknowledge and agree that the Tenant's existing use of the Premises will be deemed to satisfy the requirements of this Section as between Landlord and Tenant.

Section 4.03. Signs and Advertising.

A. Any sign, placard, decoration, lettering, advertising matter or descriptive material ("Signs") installed by Tenant shall be in accordance with (i) any applicable sign Laws and (ii) shall also be subject to Landlord's prior written approval. Landlord approves of all signage existing in the Premises as of the date hereof. Tenant shall obtain and pay for all Sign permits required for Tenant's Signs.

B. Tenant shall maintain all Signs in first class condition, operating order and repair at all times. Tenant shall repair any Signs that have been damaged within five (5) days after such damage occurs. If Tenant fails to repair any of its Signs as specified above, and such failure continues for a period of three (3) business days following notice from Landlord, Landlord shall have the right to make such repairs on Tenant's behalf and at Tenant's sole cost and expense. Upon demand, Tenant shall pay Landlord, as Additional Rent, all costs incurred by Landlord to (i) remove any Signs which violate the provisions of this Section 4.04 or (ii) make those repairs Tenant has failed to make.

Section 4.04. No Hazardous Materials.

Tenant shall not conduct or permit in the Premises either the generation, treatment, storage or disposal of any hazardous wastes or toxic substances of any kind as defined in the Comprehensive Environmental Response, Compensation and Liability Act or any other present or future federal, state, county or local laws or regulations concerning environmental protection, and to prohibit its assignees and subleases and employees, agents and contractors (collectively "Permittees") from doing so; and Tenant shall indemnify, defend and hold Landlord and its agents and partners harmless from all loss; costs, foreseeable and unforeseeable, direct or consequential; damages; liability; fines; prosecutions, judgments, litigation; and expenses, including but not limited to clean-up costs and reasonable attorneys' fees arising out of any violation of the provisions of this Section by Tenant its employees, agents or its Permittees.

Section 4.05. Tenant's Use of Roof.

Tenant shall not use or penetrate the ceiling of the Premises and/or the roof of the building in which the Premises is located and/or building for any purpose without Landlord's consent. Landlord may at any time relocate any of the equipment whether or not serving the Premises which is located on the roof of the Premises or the building, provided such relocation does not materially adversely interfere with Tenant's use and occupancy of the Premises.

Section 4.06. Radius Restriction Limit.

Jonathan Umbel, Bethany Umbel and Tenant (and if Tenant is not an individual, then its officers, directors, members (having more than a ten percent (10%) ownership interest, stockholders [unless Tenant is a publicly held company], affiliates and partners) shall not directly or indirectly operate, manage, or have any interest in, any other restaurant store or business carrying the same or similar menu (concept, price point) within Georgetown, the West End, Foggy Bottom and Glover Park (the "Radius Area"). For the avoidance of doubt, the Radius Area is bounded by Calvert Street/Observatory Circle to the North, the Potomac River to the South, Foxhall Road to the West and Mass. Ave. to 21st. St. to the East. The parties hereby agree that this restriction shall terminate at such time as the existing restaurant concept terminates operations at the Premises (i.e., if the Premises is operated by a different concept, then Tenant shall not be prohibited from opening in the restricted area). If this covenant is breached, Landlord may (i) seek mandatory injunctive relief enjoining the operation of the violating store or

business; and (ii) as partial and temporary liquidated damages, include all gross sales generated by any violating store or business in calculating the Gross Sales under this Lease, in which event the terms and conditions set forth in Sections 5.03 through 5.06 shall also apply to the business of such violating store or business. Tenant represents that by entering into this Lease it will not breach or violate any restriction by which it is bound under any other lease or agreement to any other Person.

Article 5.

RENT

Section 5.01. Rent Payable.

A. Tenant shall pay all Rent to Landlord, without prior notice or demand and without offset, deduction or counterclaim whatsoever, in the amounts, at the rates and times set forth herein, and at such place as is provided in Section 1.01, or at such other place as Landlord may from time to time designate by notice to Tenant. Notwithstanding the foregoing, in the event that Tenant does not receive full credit (whether through payment or application) of that certain obligation set forth in Section 4 of that certain letter agreement dated September 28, 2010 by and among certain interested parties in Landlord and Tenant, then Tenant may, upon thirty (30) days prior written notice to Landlord, off-set its obligation to pay Rent by the amount of such failure.

B. If Tenant fails to make any payment of Rent within ten (10) days from the date that such Rent is due, Tenant shall pay Landlord a late payment charge equal to the greater of (i) five percent (5%) of such payment of Rent, or (ii) Twenty Dollars ($20.00) per day from the date such Rent is due until the date such Rent is received. Payment of such late charge shall not excuse or waive the late payment of Rent. Notwithstanding the foregoing, on the first instance of any failure of Tenant to pay any Rent due in any calendar year, a late charge will not be assessed if Tenant pays the applicable amount due within five (5) business days of receipt of written notice from Landlord to Tenant regarding the existence of such failure; it being agreed that for purposes of this sentence, written notice will be deemed to include notice via e-mail to jsumbel@comcast.net, provided that a copy of such e-mail is simultaneously provided to skok@gyfb.com.

C. If Landlord receives one (1) or more checks from Tenant that are dishonored by Tenant's bank, all checks for Rent thereafter shall be bank certified and Landlord shall not be required to accept checks except in such form. Tenant shall pay Landlord any bank service charges resulting from dishonored checks, plus Fifty Dollars ($50.00) for each dishonored check as compensation to Landlord for the additional cost of processing such check.

D. Any payment by Tenant of less than the total Rent due shall be treated as a payment on account. Acceptance of any check bearing an endorsement, or accompanied by a letter stating, that such amount constitutes "payment in full" (or terms of similar import) shall not be an accord and satisfaction or act as a novation, and such statement shall be given no effect. Any acceptance of any check by Landlord shall be without prejudice to any rights or remedies which Landlord may have against Tenant.

E. For any partial calendar month at the beginning of the Term, Tenant shall pay in advance on or prior to the Term Commencement Date, the pro-rated amount of the Rent for each day included in such portion of the month.

Section 5.02. Payment of Minimum Rent.

Tenant shall pay Landlord the Minimum Rent in equal monthly installments, in advance, commencing on the Term Commencement Date, and on the first day of each calendar month thereafter throughout the Term as the same is to be increased each Lease Year in accordance with Section 1.01 above.

Section 5.03. Payment of Percentage Rent.

As additional rent, Tenant shall pay Landlord for each Lease Year during the initial term as well as the Option Period (and any renewal or holdover period thereafter), an amount ("Percentage Rent") equal to 7.5% of all Gross Sales in excess of Two Million and 00/100 Dollars ($2,000,000) (the "Breakpoint") for any such Lease Year. Percentage Rent shall be due and payable within fifteen (15) days after the end of (i) the first month in which Tenant Gross Sales exceed the volume of Gross Sales at which Tenant is required to pay Percentage Rent for such Lease Year, and (ii) each month thereafter during the remaining Lease Year thereafter until the new Lease Year begins and the calculation for the Break Point resets. Notwithstanding the foregoing, the Break Point for the first Lease Year or in the event of any termination (in addition to any and all other remedies afforded to Landlord under this Lease for such termination) shall be reduced by $5,480 for each day until Tenant officially opens its business in the Premises to the public on a continuous basis in the case of the first Lease Year or for each day remaining in the Lease Year if the Lease were not otherwise terminated. By way of example and illustration only and for no other purpose, if the Term Commencement Date is August 1, 2010, but Tenant actually does not open until September 1, 2010, then the Break Point for purposes of calculating Percentage Rent for the first Lease Year shall be $1,830,120.

Section 5.04. "Gross Sales" Defined.

A. The term "Gross Sales" means the amount of the actual prices charged, whether for cash or on credit, for all sales or receipts of whatever kind (whether for food, beverage or any other item) conducted by Tenant and any sublessees, concessionaires and/or licensees, from the Premises, including catalog, electronic and telephone sales and orders taken in or from the Premises, although said orders may be filled elsewhere; all without credit to Tenant for uncollected or uncollectible credit accounts. Each charge or sale upon installment or credit shall be treated as a sale for the full price at the time such charge or sale is made, regardless whether or when Tenant shall receive payment thereof. The amount of any deposit not refunded shall be included in Gross Sales when received.

B. The following items shall be excluded from Gross Sales: (i) cash or credit refunds to customers on transactions otherwise included in Gross Sales; (ii) amounts collected from customers and paid by Tenant to any government for any sales or excise tax; (iii) proceeds from the sale of gift certificates until redeemed or such certificates have expired; (iv) proceeds from sales of equipment or trade fixtures not made in the ordinary course of Tenant's business; (v) the amount of returns to shippers or manufacturers; (vi) the exchange of goods or merchandise between the stores of Tenant, if any, where such exchanges of goods or merchandise are made solely for the convenient operation of the business of Tenant and not for the purpose of consummating a sale which was made at, in or from the Premises; (vii) the amount of any cash or credit refund; (viii) sales to employees made at a discount (such discounts not to exceed three percent (3%) of total Gross Sales on an annual basis); and (ix) all tips, (whether cash or credit) collected to the extent payment is actually given to Tenant's assignee's employees;. No franchise tax, capital stock tax, tax based upon assets or net worth, or gross receipts tax, and no income or similar tax based on income or profits shall be deducted from Gross Sales. The full value attributed to a trade-in item at the time the sale is made is to be included in Gross Sales.

Section 5.05. Statements of Gross Sales.

A. Within fifteen (15) days after the end of each calendar month, Tenant shall deliver to Landlord a statement, substantially in the form of Exhibit D, certified by Tenant and setting forth the amount of Gross Sales made during such month. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) of the month that such statement is not delivered. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) day of said month when the statement is due that the statement is not delivered. Notwithstanding the foregoing, on the first instance of any failure of Tenant to provided such statement in any calendar year, a late charge will not be assessed if Tenant provides the applicable statement within five (5) business days of receipt of written notice from Landlord to Tenant regarding the existence of such failure; it being agreed that for purposes of this sentence, written notice will be deemed to include notice via e-mail to jsumbel@comcast.net, provided that a copy of such e-mail is simultaneously provided to skok@gyfb.com.

B. Within sixty (60) days after the end of each Lease Year, Tenant shall deliver to Landlord a written statement, certified to be complete and correct by an independent Certified Public Accountant, showing the amount of Gross Sales and the amount of Percentage Rent paid to Landlord for such Lease Year. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) day of said month when the statement is due that the statement is not delivered. Failure to deliver said statement will result in a late charge of $100 per day for every day past the fifteenth (15th) day of said month when the statement is due that the statement is not delivered. Notwithstanding the foregoing, on the first instance of any failure of Tenant to provided such statement in any calendar year, a late charge will not be assessed if Tenant provides the applicable statement within five (5) business days of receipt of written notice from Landlord to Tenant regarding the existence of such failure; it being agreed that for purposes of this sentence, written notice will be deemed to include notice via e-mail to jsumbel@comcast.net, provided that a copy of such e-mail is simultaneously provided to skok@gyfb.com.

C. The receipt or acceptance by Landlord of any statement of Gross Sales, or any payment of Percentage Rent, shall not bind Landlord to the correctness of the statement or payment, and shall be without prejudice to Landlord's inspection and audit rights as provided in Section 5.06 below.

Section 5.06. Records and Audits.

A. Tenant's Gross Sales shall be recorded through accurate modern cash registers or computers which shall show, record and preserve, in complete detail, all items making up Gross Sales. Tenant shall keep and preserve local and state sales tax returns, sales reports, daily cash register slips or tapes, sales receipts, sales records and other supporting documentation, and such other full, complete and accurate books of account as are reasonably necessary to properly monitor or audit Gross Sales to verify any amounts due as Percentage Rent (hereinafter collectively the "Records"). The Records shall disclose in detail all information required to permit Landlord to verify Tenant's Gross Sales, and shall conform to and be in accordance with generally accepted accounting principles consistently applied with respect to all operations of the business conducted in, at, to or from the Premises. The Records shall be kept and preserved for at least three (3) years after the end of the period(s) to which they pertain, notwithstanding occurrence of the Termination Date. If an audit is required, or a controversy arises regarding Percentage Rent, Tenant shall retain the Records until such audit is terminated or controversy resolved.

B. Landlord shall have the right, at any time during normal business hours upon not less than five (5) business days' prior notice to Tenant, to cause a complete examination or audit to be made of the Records. If any audit discloses that any statement of Gross Sales understates Gross Sales for the reporting period, Tenant shall pay to Landlord upon demand (i) any deficiency in Percentage Rent, and (ii) if such audit discloses an understatement in Gross Sales of three percent (3%) or more, the cost of the audit (including all reasonable travel expenses incurred by Landlord and its agents in conducting such audit).

Section 5.07. Taxes.

Tenant shall be responsible for payment of all Taxes (as hereinafter defined). The term "Taxes" means all governmental or quasi-governmental taxes, fees, charges and assessments (whether general, special, ordinary, or extraordinary and including, without limitation, any Georgetown area special assessments) applicable or otherwise levied against the Premises or the building and taxes and assessments levied in substitution or supplementation in whole or in part of such taxes, together with all reasonable costs and fees (including reasonable appraiser, consultant and attorney's fees) incurred by Landlord in any tax contest, appeal or negotiation to the extent Landlord contests any of said Taxes. "Taxes" shall not include income taxes; personal property taxes; gift, inheritance taxes or estate taxes; transfer or recordation taxes; or franchise taxes levied against the Landlord, and not directly against said property, even though such taxes might become a lien against said property.

Section 5.08. Payment of Taxes.

A. Subject to Landlord's election in Paragraph B. of this Section 5.08, Tenant shall pay any Taxes directly to any such taxing authority upon receipt of the bill from Landlord or from the taxing authority to the extent Tenant receives the bills directly. All such payments must be made no later than the time period prescribed in the bill before any penalties accrue or within thirty (30) days without regard to any grace period to the extent the bill allows for a period of time greater than thirty (30) days to make such payment. Upon receipt of any tax bills and assessment bills attributable to any calendar year during the term hereof, Tenant shall immediately furnish Landlord with a copy. For the calendar year in which this Lease commences and terminates, the provisions of this Section 5.08 shall still apply, and Tenant's liability for the Taxes for such years shall be subject to a pro rata adjustment based on the number of days of said calendar years during which the term of this Lease is in effect. If all or any portion of the Taxes for the calendar year in which this Lease term commences have been paid by Landlord prior to the Term Commencement Date, Tenant shall reimburse Landlord for Tenant's pro rata share within thirty (30) days after Landlord delivers written notice thereof to Tenant.

B. Notwithstanding the foregoing, if requested by Landlord, Tenant shall pay Taxes in such equal monthly installments (the "Tax Estimates") as Landlord reasonably estimates from time to time, with the first installment being due on the Term Commencement Date and each succeeding installment being due on the first day of each calendar month thereafter. Within sixty (60) days after the end of each Tax Year or as soon thereafter as is reasonably practical, Landlord shall send Tenant a statement setting forth the amount of the Taxes and the sum of the Tax Estimates which have been paid by Tenant for such Tax Year. If the amount of the Taxes for such period exceeds the total of the Tax Estimates paid by Tenant, Tenant shall pay the difference to Landlord within thirty (30) days after receipt of such statement. If the total of the Tax Estimates paid by Tenant for such period exceeds the Taxes for such period, Landlord shall credit the difference toward the Tax Estimates next due and, at the end of the Term, refund any excess amount of Taxes paid by Tenant, less the amount of any monies owed to Landlord by Tenant; provided, however, if a Default exists hereunder, Landlord may apply any overpayment on account of any sums then due Landlord (the "Default Application"). Subject to the Default application, Landlord shall credit Tenant with any refund received by Landlord of any Tax to which Tenant has contributed by paying the Taxes reserved hereunder.

Section 5.09. Taxes on Tenant's Personal Property.

Tenant shall pay all governmental taxes, charges, fees and assessments applicable to Tenant's personal property, trade fixtures, inventory and Tenant's Rent obligation before they become delinquent.

Section 5.10. Insurance Costs.

Tenant shall be responsible for paying for all "Insurance Costs" during the Term. The term "Insurance Costs" means all premiums, fees, costs, expenses and other charges incurred by Landlord for Landlord's insurance program applicable to the Premises and the building. Landlord shall maintain such insurance as may be required for full replacement of building without regard to any of Tenant's fixtures or improvements or such other insurance as may be required by any mortgagee of Landlord.

Section 5.11. Payment of Insurance Costs.

A. Subject to Landlord's election in Paragraph B. of this Section 5.11, at Landlord's request, Tenant shall pay such Insurance Costs directly to any applicable insurer within twenty-five (25) days from Tenant's receipt of the bill from Landlord or the insurer in the event that a bill is directly sent to Tenant by any insurer. Upon payment therefore for any Insurance Costs, Tenant shall provide evidence of such payment to Landlord upon Landlord's request.

B. Notwithstanding the foregoing, at Landlord's request, Tenant shall pay Insurance Costs with its monthly Rent payments in such equal monthly installments (the "Insurance Estimates") as Landlord estimates from time to time, with the first installment being due on the Term Commencement Date and each succeeding installment being due on the first day of each calendar month thereafter. After the end of each calendar year, Landlord shall send Tenant a statement setting forth the actual amount of the Insurance Costs and the sum of the Insurance Estimates which have been paid by Tenant for such calendar year. If the amount of the Insurance Costs for such period exceeds the total of the Insurance Estimates paid by Tenant, Tenant shall pay the difference to Landlord within twenty-five (25) days after receipt of such statement. If the total of the Insurance Estimates paid by Tenant for such period exceeds the Insurance Costs for such period, Landlord shall, subject to the Default Application, credit the difference toward the Insurance Estimates next due and, at the end of the Term, refund any excess amount of Insurance Costs paid by Tenant, less the amount of any monies owed to Landlord by Tenant.

Section 5.12. Security Deposit.

Tenant and the Adjacent Tenant (as hereafter defined) shall cause the Security Deposit to be deposited with the Landlord upon the Term Commencement Date (whether through the credit of any security deposit under the Existing Lease, or otherwise). The Security Deposit shall be held as security for the performance of each and every term, covenant, agreement and condition of this Lease to be performed by Tenant. Landlord may use, apply on Tenant's behalf or retain (without liability for interest) during the Term all or any part of the Security Deposit to the extent required for the payment of any Rent which may be owed hereunder, or for any sum which Landlord may expend to cure any Default of Tenant, including without limitation, (a) any damages, costs or expenses (including attorney's fees) incurred by Landlord in causing Tenant to restore and refund the portion of the Security Deposit so used or applied by Landlord, (b) loss or damage that Landlord may suffer by reason of Tenant's Default, including, without limitation, any damages incurred by Landlord or deficiency resulting from the reletting of the Premises, whether such damages or deficiency accrues before or after summary proceedings or other reentry by Landlord, or (c) costs incurred in connection with the cleaning or repair of the Premises upon expiration or earlier termination of this Lease. Notwithstanding anything herein to the contrary, the parties acknowledge that the Security Deposit secures not only the obligations of the Tenant under this Lease, but also the obligations of the tenant (the "Adjacent Tenant") leasing the property located at 3241 M St., N.W., Washington, D.C. (the "Adjacent Property") pursuant to that certain lease between Landlord and the Adjacent Tenant (the "Adjacent Lease"). Tenant acknowledges and agrees that any Default (as defined in the Adjacent Lease) by the Adjacent Tenant under the Adjacent Lease shall entitle Landlord to use, apply on Tenant's behalf or retain the Security Deposit as herein provided as if Tenant had otherwise been in Default. By way of example, assuming that: (a) the Security Deposit held by the Landlord is then $80,000 (i.e., the Security Deposit had previously been reduced by $12,000), (b) the collective Rent payable by the Tenant and the Adjacent Tenant under this Lease and the Adjacent Lease is $40,000, and (c) the Landlord only receives $5,000 in Rent in a given month (under this Lease and the Adjacent Lease), then the Security Deposit would be applied leaving a remaining balance of the Security Deposit in the amount of $45,000. Continuing on with the prior example, if no Rent payments are then made for the following month (under this Lease or the Adjacent Lease), the Landlord shall cause the Security Deposit to be reduced by $40,000 to cover the additional Rent default such that the balance of the Security Deposit would then be $5,000.

The Security Deposit is subject to replenishment from payments made by the Tenant and the Adjacent Tenant (or any assignee, guarantor or in connection with any other payment to the Landlord under this Lease or the Adjacent Lease) thereafter, as follows: (i) first, to pay the current Rent due for the month in which the payment is made; (ii) second, to pay any delinquent or unpaid Rent owed to the Landlord pursuant to this Lease or the Adjacent Lease (which will only be applicable in the event that the Security Deposit has already been fully exhausted); and (iii) third, to restore the Security Deposit up to a maximum of its original amount (i.e., $92,000).

EXAMPLE 1: Continuing with the original example (a Security Deposit balance of $5,000) assume that Rent for the third month is then due and the Tenant and Adjacent Tenant thereafter pay the collective amount of $85,000. Applying the methodology above, the $85,000 would first be applied to the Rent due for said month in which the payment was made (i.e., $40,000). The excess of $45,000 would then be applied to replenish the Security Deposit so that the balance of the security deposit would then equal $50,000. To put it another way, the Tenant and the Adjacent Tenant would have had total Rent obligations of $120,000 and would have paid $90,000 so the Landlord would then have applied $30,000 against the Security Deposit (exclusive of the original reduction in the Security Deposit to $80,000). EXAMPLE 2: Continuing with the original example (Security Deposit then equal to $5,000) assume that Rent for the third month is then due and the Tenant and Adjacent Tenant thereafter pay the collective amount of $45,000. Applying the methodology above, the $45,000 would first be applied to the Rent due for said third month in which the payment was made (i.e., $40,000 again). The excess of $5,000 would then all be applied to replenish the Security Deposit up to the amount of $10,000. To put it another way, the Tenant and Adjacent Tenant would have had total Rent obligations of $120,000 and would have paid $50,000 so the Landlord would then have applied $70,000 against the Security deposit (exclusive of the original reduction in the Security Deposit to $80,000) leaving a balance of the Security Deposit in the amount of $10,000. EXAMPLE 3: Without the need to refer to any other examples, but again assuming that Rent is $40,000 per month (in the aggregate under this Lease and the Adjacent Lease), but this time the Security Deposit has already been fully exhausted and there is still unpaid Rent in the amount of $10,000, but the Landlord for whatever reason has not yet evicted the Tenant or the Adjacent Tenant, and then Tenant and/or the Adjacent Tenant make payments of $55,000. Applying the methodology above, the $55,000 would first be applied to the current Rent (i.e., $40,000), and then the excess of

$15,000 would be applied next to the unpaid Rent that accrued after exhaustion of the Security Deposit (i.e., $10,000) and lastly the excess of $5,000 would then be applied to restore the Security Deposit). In the event that the balance of the Security Deposit is less than Five Thousand Dollars ($5,000.00), Tenant shall, within ten (10) days of Notice from Landlord, restore the Security Deposit to at least Five Thousand Dollars ($5,000.00), the failure of which shall be a Default of this Lease.

The use, application or retention of the Security Deposit by Landlord shall not be deemed a limitation on Landlord's recovery in any case, or a waiver by Landlord of any Default, nor shall it prevent Landlord from exercising any other right or remedy for a Default by Tenant. In the event that either: (I) the Landlord sells the Premises or the Adjacent Property; or (ii) this Lease or the Adjacent Lease is terminated not due to any act or omission of the Adjacent Tenant (e.g., by Landlord's exercise of its right to terminate the Adjacent Lease, by casualty or by condemnation), then the Security Deposit (both the maximum total and the then-current balance) will be divided between the Tenant (to be held or distributed pursuant to this Lease) and the Adjacent Tenant (to be held or distributed pursuant to the Adjacent Lease). For example, if the Security Deposit then had a balance of $50,000 and the Landlord sells the Adjacent Property, then the Landlord would transfer (directly or indirectly) $25,000 of the Security Deposit to the new owner, the new maximum Security Deposit under this Lease would be $46,000 and the new balance of the Security Deposit under this Lease would be $25,000. For the avoidance of doubt, the obligation of Tenant to restore the Security Deposit to at least Ten Thousand Dollars ($10,000.00) as provided in the last sentence of the immediately preceding paragraph shall remain in full force and effect notwithstanding such division of the Security Deposit. The Security Deposit (as same may have been divided pursuant to the provisions of this paragraph), less any amount applied as herein provided, shall be returned to Tenant, without interest, within thirty (30) days after the Termination Date and after surrender of possession of the Premises to Landlord in accordance with the terms of this Lease.

Section 5.13. Accounting/Lease Administration Fee.

In addition to its Minimum Rent and all other sums due hereunder, Tenant shall pay Landlord an Accounting/Lease Administration Fee equal to Five Thousand and 00/100 Dollars ($5,000.00) during each Lease Year of the Term. Tenant shall pay such amount in monthly installments of Four Hundred Sixteen and 67/100 Dollars ($416.67) each, which shall be payable on the first of each month with each installment of Minimum Rent.

Article 6.

INTENTIONALLY OMITTED

Article 7.

UTILITIES

Section 7.01. Utility Charges.

Tenant shall contract for in its own name and pay, when due, all charges for water, sewer, electricity, gas, telephone service and other utilities supplied to the Premises, including but not limited to any tap or impact fees or other similar exactions.

Section 7.02. Discontinuance and Interruption of Service.

Landlord shall not be liable to Tenant in damages or otherwise for the quality, quantity, failure, unavailability or disruption of any utility service and the same shall not constitute a termination of this Lease, or an actual or constructive eviction of Tenant, or entitle Tenant to any abatement of Rent.

Article 8.

INDEMNITY AND INSURANCE

Section 8.01. Indemnity.

Tenant shall indemnify, defend and hold Landlord, its management agent, and its Mortgagees and their respective officers, directors, shareholders, members, trustees, principals, partners, agents, employees (collectively, "Landlord's Indemnitees") harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including reasonable architects' and attorneys' fees, which may be imposed upon, incurred by, or asserted against any of Landlord's Indemnitees and arising, directly or indirectly, out of or in connection with: (I) Tenant's breach of its obligations under this Lease; (II) the negligence or willful misconduct of Tenant or any Person claiming by, through or under Tenant, or the agents, contractors, employees, servants, invitees, guests, customers or licensees of any such Person (collectively the "Tenant Parties"), in, on or about the Premises; (iii) the use or occupancy of the Premises or the building by Tenant or the Tenant Parties or (iv) the use or occupancy of the Premises (or the building) by Tenant's invitees while in, on or about the Premises (or the building). If any action or proceeding is brought against any of Landlord's Indemnitees by reason of any of the foregoing, Tenant shall reimburse Landlord for the cost of defending such action or proceeding or, upon Landlord's request and at Tenant's sole cost and expense, resist and defend such action and proceeding

by counsel approved by Landlord. Tenant shall not be obligated to indemnify Landlord's Indemnitees against loss, liability, damage, cost or expense arising out of a claim for which Tenant is released from liability pursuant to Section 8.07 below (or a claim arising out of the negligence or willful misconduct of Landlord or its agents, employees or contractors).

Landlord shall indemnify, defend and hold Tenant and its officers, directors, shareholders, members, trustees, principals, partners, agents, employees (collectively, "Tenant Indemnitees" harmless from and against all liabilities, obligations, damages, judgments, penalties, claims, costs, charges and expenses, including reasonable architects' and attorneys' fees, which may be imposed upon, incurred by, or asserted against any of Landlord's Indemnitees and arising, directly or indirectly, out of or in connection with: (i) Landlord's breach of its obligations under this Lease; or (ii) the negligence or willful misconduct of Landlord or any Person claiming by, through or under Landlord, or the agents, contractors, employees, servants, invitees, guests or licensees of any such Person. If any action or proceeding is brought against any Tenant Indemnitees by reason of any of the foregoing, Landlord shall reimburse Tenant for the cost of defending such action or proceeding or, upon Tenant's request and at Landlord's sole cost and expense, resist and defend such action and proceeding by counsel approved by Tenant. Landlord shall not be obligated to indemnify Tenant Indemnitees against loss, liability, damage, cost or expense arising out of a claim for which Landlord is released from liability pursuant to Section 8.07 below (or a claim arising out of the negligence or willful misconduct of Tenant or its agents, employees or contractors).

Section 8.02. Landlord Not Responsible for Certain Accidents, Occurrences and Acts of Others.

To the maximum extent permitted by law, Landlord's Indemnitees shall not be liable for, and Tenant waives all claims for, loss or damage to Tenant's business or injury or damage to Person or property sustained by Tenant, or any Person claiming by, through or under Tenant, resulting from any accident or occurrence in, on, or about the Premises, including claims for loss, theft, injury or damage resulting from: (i) any equipment or appurtenances being or becoming out of repair; (ii) wind or weather; (iii) any defect in or failure to operate any sprinkler, HVAC equipment, electric wiring, gas, water or steam pipe, stair, railing or walk; (iv) broken glass; (v) the backing up of any sewer pipe or downspout; (vi) the escape of gas, steam or water; (vii) water, snow or ice being upon the building or coming into the Premises; (viii) the falling of any fixture, plaster, tile, stucco or other material; or (ix) any act, omission or negligence of licensees or any other Persons, including (but not limited to) occupants of the building, occupants of adjoining or contiguous buildings, owners of adjacent or contiguous property, or the public.

Section 8.03. Tenant's Insurance.

Commencing on the date upon which Landlord delivers the Premises to Tenant and at all times thereafter, Tenant shall carry and maintain, at its sole cost and expense:

A. Commercial General Liability Insurance (ISO form or equivalent) naming Tenant as the named insured and Landlord and (at Landlord's request) Landlord's mortgagee (and the managing agent), if any, as additional insureds, protecting Tenant and the additional insureds against liability for bodily injury, death and property damage occurring upon or in the Premises, with a minimum combined single limit of One Million Dollars ($1,000,000.00) and a general aggregate limit of Three Million Dollars ($3,000,000.00). If the policy also covers locations other than the Premises, the policy shall include a provision to the effect that the aggregate limit of Three Million Dollars ($3,000,000.00) shall apply separately at the Premises. If Tenant sells, serves or distributes alcoholic beverages in or on the Premises, then such General Liability Insurance shall include, at the same minimum limits of liability as shown above, Liquor Legal Liability coverage.

B. "All Risk" or "Special Form" property insurance covering all Leasehold Improvements and all of Tenant's Property (as both are defined in Section 9.05 below), and the floor and wall coverings within the Premises, and written for at least the full replacement cost with a deductible of not more than One Thousand Dollars ($1,000.00).

C. Worker's compensation or similar insurance to the extent and in the amounts required by law.

D. Business interruption insurance at Tenant's existing coverage levels; it being agreed that Landlord may require Tenant to increase such coverage if required by Landlord's lender.

Notwithstanding anything set forth above, all dollar limits specified in Section 8.03 shall be increased from time to time, as reasonably necessary, to effect economically equivalent insurance coverage, or coverage deemed adequate in light of then existing circumstances.

Section 8.04. Tenant's Contractor's Insurance.

Tenant shall cause any contractor performing work on the Premises to obtain, carry and maintain, at no expense to Landlord: (i) worker's compensation insurance and employer's liability as required by the jurisdiction in which the building is located; (ii) builder's risk insurance with a deductible no greater than Ten Thousand Dollars ($10,000.00), in the amount of the full replacement cost of the Tenant's Property and the Leasehold Improvements; (iii) Commercial General Liability Insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form

property damage endorsement and contractor's protective liability coverage providing on an occurrence basis a minimum combined single limit of Three Million Dollars ($3,000,000.00) per occurrence; (iv) business automobile liability insurance including the ownership, maintenance and operation of the automotive equipment, owned, hired and non-owned coverage with a combined single limit of not less than Three Million Dollars ($3,000,000.00) for bodily injury and property damage; and (v) worker's compensation insurance to the extent required by law. All such policies shall contain an endorsement waiving all rights of subrogation against Landlord's Indemnitees (as defined in Section 8.01.A. hereof). If the contractor fails to acquire such insurance, Tenant shall provide such insurance (except worker's compensation insurance and employer's liability) at its sole cost and expense.

Section 8.05. Policy Requirements.

Any company writing any insurance which Tenant is required to maintain or cause to be maintained under Sections 8.03 and 8.04 as well as any other insurance pertaining to the Premises or the operation of Tenant's business therein (all such insurance being referred to as "Tenant's Insurance") shall at all times be licensed and qualified to do business in the jurisdiction in which the Premises is located and shall have received an A- or better (and be in a financial size category of class VIII or higher) rating by the latest edition of A.M. Best's Insurance Rating Service. All of Tenant's policies shall name Tenant as the named insured and Landlord, Landlord's designee and (at Landlord's request) Landlord's Mortgagee (and managing agent), if any, and any other Person designated by Landlord, so long as such other Person shall have an insurable interest in the building, as additional insureds. All of Tenant's Insurance may be carried under a blanket policy covering the Premises and any other location of Tenant, if (i) the coverage afforded Landlord and any designees of Landlord shall not be reduced or otherwise adversely affected, and (ii) such blanket policy allocates to the properties and liabilities to be insured under this Article 8 an amount not less than the amount of insurance required to be covered pursuant to this Article 8, so that the proceeds of such insurance shall not be less than the proceeds that would be available if Tenant were insured under a unitary policy. All policies of Tenant's Insurance shall contain endorsements requiring the insurer(s) to give to all additional insureds at least thirty (30) days' advance notice of any material reduction, cancellation, termination or non-renewal of said insurance. Tenant shall be solely responsible for payment of premiums and all other costs and expenses for all of Tenant's Insurance. Tenant shall deliver to Landlord at least thirty (30) days prior to the time Tenant's Insurance is first required to be carried by Tenant, and upon renewals at least thirty (30) days prior to the expiration of the term of any such insurance policy, a certificate of insurance of all policies procured by Tenant in compliance with its obligations under this Lease. The limits of Tenant's Insurance shall not limit Tenant's liability under this Lease, at law or in equity. If Tenant fails to deposit a certificate of insurance with Landlord for a period of ten (10) days after notice from Landlord, in addition to any other rights or remedies of Landlord, Landlord may acquire such insurance, and Tenant shall pay Landlord the amount of the premium applicable thereto within ten (10) days following notice from Landlord.

Section 8.06. Increase in Insurance Premiums.

Tenant shall not keep or do or permit anything in the Premises, other than as otherwise hereinabove permitted, that will: (i) result in an increase in the rate of any insurance on the building or any element thereof; (ii) violate the terms of any insurance coverage on the building or any element thereof carried by Landlord or any other tenant; (iii) prevent Landlord from obtaining such policies of insurance acceptable to Landlord or any Mortgagee of the building; or (iv) violate the rules, regulations or recommendations of Landlord's insurers, loss prevention consultants, safety engineers, the National Fire Protection Association, or any similar body having jurisdiction over the Premises. If Tenant does so, Tenant shall pay to Landlord upon demand the amount of any increase in any such insurance premium. In determining the cause of any increase in insurance premiums, the schedule or rate of the organization issuing the insurance or rating procedures shall be conclusive evidence of the items and charges which comprise the insurance rates and premiums on such property.

Section 8.07. Release and Waiver of Right of Recovery.

A. Landlord and Tenant (each, a "Waiving Party") each hereby waives and releases all rights of recovery against the other and the other's agents and employees (the "Released Parties") on account of loss or damage to the property of the Waiving Party to the extent that such loss or damage arises from the perils that could be insured against under the ISO Causes of Loss-Special Form Coverage (formerly known as "all-risk"), including any deductible thereunder (whether or not the party suffering the loss or damage actually carries such insurance, recovers under such insurance or self insures the loss or damage) or which right of recovery arises from any damage that could be insured under time element insurance, including without limitation loss of earnings or rents resulting from loss or damage caused by such a peril. By this waiver it is the intent of the parties that the Released Parties shall not be liable to the Waiving Party or any insurance company (by way of subrogation or otherwise) insuring the Waiving Party for any loss or damage insured against (or that could have been insured against) under any such insurance or other insurance maintained by the Waiving Party, even though such loss or damage might be caused by the negligence of one (1) or more of the Released Parties; provided, however, the mutual release contained herein shall not apply to damage to the Waiving Party's property caused by the willful misconduct of any of the Released Parties.

B. Both Landlord and Tenant shall include in each of its property damage insurance policies a waiver of the insurer's right of subrogation against the other party and the officers, directors, agents and employees of, and the partners and members in, the other party and any insurance company of such

other party. If there is a conflict between this Section 8.07 and any other provision of this Lease, this Section shall control.

Article 9.

CONSTRUCTION AND ALTERATIONS

Section 9.01. Condition of Premises.

Tenant acknowledges: (i) upon the Term Commencement Date, Tenant accepts the Premises, and all improvements, betterments and equipment "AS IS," with no representation or warranty by Landlord as to the condition or suitability of the Premises or of the building for Tenant's purpose; and (ii) Landlord has no obligation to improve or repair the Premises.

Section 9.02. Alterations.

Tenant shall not make or cause to be made any alterations, additions, renovations, improvements or installations in or to the Premises without Landlord's prior consent, which such consent may be granted or withheld in Landlord's sole and absolute discretion, except that Landlord agrees not to unreasonably withhold its consent to interior, non-structural, non-storefront, non-mechanical, non-electrical and non-plumbing alterations costing less than Twenty-Five Thousand Dollars ($25,000.00), provided, however that in no event, shall any alterations made to the Premises (i) diminish the fair value of Tenant's improvements, (ii) require any waivers or variances from applicable governmental authorities, or (iii) affect the continued use of the Premises as a single integrated unit. Upon completion of such modifications or alterations, Tenant shall deliver to Landlord copies of any "as-built" plans prepared in connection therewith.

Section 9.03. Work Requirements.

All work performed by Tenant in the Premises shall be performed: (i) promptly and in a workmanlike manner with first-class materials; (ii) by duly qualified or licensed Persons; (iii) without interference with, or disruption to, the operations of Landlord or any adjacent buildings; and (iv) in accordance with (a) plans and specifications approved in writing in advance by Landlord (as to both design and materials) which such approval may be granted or withheld in Landlord's sole and absolute discretion, except as otherwise provided in Section 9.03, and (b) all applicable governmental permits, rules, regulations, ordinances and the like. Landlord's approval of any of Tenant's plans, specifications and working drawings for Tenant's alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities.

Section 9.04. Ownership of Improvements.

All present and future alterations, additions, renovations, improvements and installations made to the Premises, including the HVAC system (collectively, the "Leasehold Improvements"), shall be deemed to be the property of Landlord when made and, upon Tenant's vacation or abandonment of the Premises, unless Landlord directs otherwise, shall remain upon and be surrendered with the Premises in good order, condition and repair. All movable goods, inventory, office furniture, equipment, trade fixtures (including Signs) and other movable personal property belonging to Tenant that are not permanently affixed to the Premises, shall remain Tenant's property ("Tenant's Property") and shall be removable by Tenant at any time, provided that Tenant shall repair any damage to the Premises or the building caused by the removal of any of Tenant's Property.

Section 9.05. Removal of Tenant's Property.

Tenant shall remove all of Tenant's Property and Tenant's Signs prior to the Termination Date or the termination of Tenant's right to possession. Tenant shall repair any damage to the Leasehold Improvements, the Premises or any other portion of the building caused by such removal. If Tenant fails to timely remove said items, they shall be considered as abandoned and shall become the property of Landlord, or Landlord may have them removed and disposed of at Tenant's sole cost and expense and within ten (10) days after demand Tenant shall pay Landlord, as Additional Rent, the cost of such removal or disposal. Tenant' obligation to pay Landlord such costs shall survive the expiration or earlier termination of this Lease.

Section 9.06. Mechanic's Liens.

No mechanic's or other lien shall be allowed against the building as a result of Tenant's improvements or repairs or other work to the Premises. Tenant shall promptly pay all persons furnishing labor, materials or services with respect to any work performed by Tenant on the Premises. If any mechanic's or other lien shall be filed against the Premises or the building by reason of work, labor, services or materials performed or furnished, or alleged to have been performed or furnished, to or for the benefit of Tenant, Tenant shall cause the same to be discharged of record or bonded to the satisfaction of Landlord within ten (10) business days subsequent to the filing thereof. If Tenant fails to discharge or

bond any such lien, Landlord, in addition to all other rights or remedies provided in this Lease, may bond said lien or claim (or pay off said lien or claim if it cannot with reasonable effort be bonded) without inquiring into the validity thereof and all expenses incurred by Landlord in so discharging said lien, including reasonable attorney's fees, shall be paid by Tenant to Landlord as Additional Rent within ten (10) days after demand.

Section 9.07. No Representation.

Landlord reserves the right to determine all tenancies in the property located at 3241 M Street, and Tenant does not rely on, nor does Landlord represent, the tenancy of any specific tenant(s). No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

Article 10.

REPAIRS, MAINTENANCE AND LANDLORD'S ACCESS

Section 10.01. Repairs and Maintenance by Tenant.

A. Subject to Section 10.01(E), throughout the Term Tenant shall maintain all portions of the Premises, the loading dock or trash area exclusively designated for Tenant's use, the Leasehold Improvements and Tenant's Property in good order, condition and repair. Tenant shall not cause or permit any waste, damage or injury to the Premises. Tenant's obligations shall include, without limitation, repairing, maintaining, and making replacements to all items related to the Premises and/or the building such as the following: floor coverings; walls (except structural walls) and wall coverings; ceilings; utility meters; pipes and conduits exclusively serving the Premises; fixtures; the HVAC system; plumbing, electrical and other mechanical systems exclusively serving the Premises; sprinkler and other fire protection equipment exclusively serving the Premises; the storefront(s); security grilles or similar enclosures; locks and closing devices; window sashes, casements and frames; glass; doors and door frames; and submeters exclusively serving the Premises. Tenant agrees to maintain with a reputable contractor a regular service and maintenance contract on the HVAC equipment and system serving the Premises, with routine inspections and servicing as recommended by the HVAC manufacturer.

B. Tenant shall install and maintain such fire extinguishers and other fire protection devices as may be required by any agency having jurisdiction over, or by the underwriters issuing insurance for, the Premises. Tenant agrees to routine inspections of fire protection devices by contractors acceptable to Landlord. If any governmental authority with jurisdiction over the Premises requires the installation, modification, or alteration of the sprinkler system, or other equipment, by reason of Tenant's use and occupancy of the Premises, or the location of any partitions, trade fixtures, or other contents of the Premises, then Tenant shall promptly install, at its sole cost and expense, such sprinkler system or changes therein.

C. Tenant shall keep the alleys, service areas, sidewalks, and loading docks or bays, if any, adjoining the Premises free from ice and snow and shall not permit the accumulation of garbage, trash or other waste in or around the Premises and shall otherwise maintain the same in accordance with all applicable laws and ordinances.

D. Notwithstanding anything to the contrary contained herein, in order to eliminate the problem of sewer back-ups and health hazards, Tenant shall install grease traps in the Premises, the type and manner of installation of such grease traps being subject to Landlord's prior written approval, and shall establish a bi-monthly cleaning program with respect thereto. In addition to the bi-monthly cleaning of the grease traps, Tenant shall use "Cloroben PT" or a similar type of chemical in all drain lines, in accordance with the manufacturer's recommendations, to help dissolve any grease build-up. Further, a regular and periodic extermination program shall be instituted at Tenant's sole cost and expense. Tenant shall provide Landlord with copies of its cleaning contract for its grease traps and its extermination contracts upon execution of the Lease. If Tenant shall fail to maintain its grease traps or its extermination program in a manner satisfactory to Landlord, Landlord shall be entitled to contract for such services on behalf of Tenant and Tenant shall pay Landlord, as Additional Rent hereunder, the costs and expenses incurred in connection therewith plus an administrative charge of twelve percent (12%) of the cost and expense thereof.

E. Notwithstanding the provisions of Section 10.01(A) to the contrary, and to the extent not caused by the negligence or willful misconduct or breach of applicable law by Tenant or any of Tenant's agents, contractors, customers or employees, throughout the Term Landlord shall, at its sole cost and expense, maintain the structural portions of the Premises including, without limitation, the roof, foundation and exterior walls; it being agreed that the windows of the Premises shall be deemed to be non-structural and the responsibility of Tenant hereunder. Notwithstanding the foregoing to the contrary, the parties acknowledge and agree that Landlord's obligation to repair and maintain the roof of the Premises shall not commence until March 1, 2011; it being agreed that until such time, the repair and maintenance of the roof shall be the obligation (and expense) of Tenant.

Section 10.02. Inspections, Access and Repairs by Landlord.

Upon reasonable prior notice and without materially adversely affecting Tenant's business within the Premises, Tenant shall permit Landlord or its designee to enter all parts of the Premises during Store Hours or at such other reasonable times to inspect the same. Landlord or its designee may enter the Premises at any time and make such inspection, alterations and repairs to the building in which the Premises is located as Landlord deems reasonably necessary; provided that Landlord shall exercise commercially reasonable efforts to minimize interference with Tenant's business operations during any such access.

Article 11.

CASUALTY

Section 11.01. Fire or Other Casualty.

Tenant shall give prompt notice to Landlord in case of fire or other casualty ("Casualty") to the Premises or the building.

Section 11.02. Right to Terminate.

A. If (i) the building is damaged to the extent of more than fifty percent (50%) of the cost of replacement thereof; or (ii) during the last two (2) Lease Years or in any Partial Lease Year at the end of the Term, the Premises are damaged to the extent of more than twenty-five percent (25%) of the cost of replacement thereof; or (iii) the Premises are damaged to the extent of fifty percent (50%) or more of the cost of replacement thereof and such damage cannot be repaired within one hundred fifty (150) days from the date of such occurrence; then Landlord may terminate this Lease by notice to Tenant delivered within ninety (90) days after the date of the Casualty. If Landlord so terminates this Lease then the Termination Date shall be the date set forth in the notice to Tenant, which date shall not be less than thirty (30) days nor more than ninety (90) days after the giving of said notice. The "cost of replacement" shall be determined by the company or companies insuring Landlord against the Casualty, or, if there shall be no such determination, by a qualified Person selected by Landlord to determine such "cost of replacement."

B. Notwithstanding anything to the contrary contained herein, in the event of a Casualty to the Premises, and provided the Lease is not terminated pursuant to the provisions contained in this Article 11, if either: (i) the Premises are damaged to the extent of fifty percent (50%) or more of the cost of replacement thereof and such damage cannot be repaired within one hundred eighty (180) days from the date of such occurrence; or (ii) Landlord fails to commence and diligently pursue the restoration and/or repairs to the Premises in accordance with the provisions of Section 11.03 below within one hundred eighty (180) days of the date of such Casualty, Tenant shall have the right to terminate this Lease upon thirty (30) days' prior written notice to Landlord, said notice to be given within thirty (30) days after the expiration of the aforesaid 180-day period. If the Casualty shall render the Premises untenantable, in whole or in part, all Rent shall abate proportionately during the period of such untenantability, computed on the basis of the ratio which the amount of Floor Area of the Premises rendered untenantable bears to the total Floor Area of the Premises (provided that if a portion of the Premises is damaged which renders the remaining portion of the Premises unsuitable for Tenant's business operations, Rent shall abate for the entire Premises). Such abatement shall terminate on the earlier of (i) the date any such repair and restoration work is substantially completed by Landlord, or (ii) the date Tenant reopens for business in the portion of the Premises previously rendered untenantable. Except to the extent specifically set forth in this Section 11.02, neither the Rent nor any other obligations of Tenant under this Lease shall be affected by any Casualty, and Tenant hereby specifically waives all other rights it might otherwise have under law or by statute.

Section 11.03. Landlord's Duty to Reconstruct.

Subject to (i) Landlord's ability to obtain the necessary permits and the availability of insurance proceeds, and (ii) either party's right to terminate this Lease pursuant to the provisions of this Article 11, Landlord shall repair the Premises (excluding the Leasehold Improvements and Tenant's Property and the floor and wall coverings and plate glass in the Premises, all which shall be Tenant's obligation to repair, restore or replace) to a substantially similar condition as existed on the Term Commencement Date; provided, however, Landlord shall not be required to expend an amount in excess of the insurance proceeds received by Landlord in performing such repairs or reconstruction.

Section 11.04. Tenant's Duty to Reconstruct.

Provided this Lease shall not be terminated pursuant to the provisions of this Article and Landlord fulfills its repair obligations set forth in Section 11.03 hereof, Tenant shall promptly commence and diligently pursue to completion the redecorating and refixturing of the Premises, including repairing, restoring or replacing Tenant's Property, the floor and wall coverings and the plate glass, to a substantially similar condition as existed prior to the Casualty. Tenant shall reopen for business in the Premises as soon as practicable after the occurrence of the Casualty.

Article 12.

CONDEMNATION

Section 12.01. Taking of Premises.

A. If more than twenty-five percent (25%) of the Floor Area of the Premises shall be appropriated or taken under the power of eminent domain, or conveyance shall be made in anticipation or in lieu thereof ("Taking"), either party may terminate this Lease as of the effective date of the Taking by giving notice to the other party of such election within thirty (30) days prior to the date of such Taking.

B. If there is a Taking of a portion of the Premises and this Lease is not terminated pursuant to Section 12.01.A., then: (i) as of the effective date of the Taking, this Lease shall terminate only with respect to the portion of the Premises taken; (ii) after the effective date of the Taking and during the remainder of the Term except as set forth in Section 12.04, the Rent shall be reduced by multiplying the same by a fraction, the numerator of which shall be the Floor Area taken and the denominator of which shall be the Floor Area of the Premises immediately prior to the Taking; and (iii) as soon as reasonably possible after the effective date of the Taking, Landlord shall, to the extent feasible, restore the remaining portion of the Premises to a complete unit of a similar condition as existed prior to any work performed by Tenant, provided, however, Landlord shall not be required to expend more on such alteration or restoration work than the condemnation award received and retained by Landlord for the Premises. Upon completion of Landlord's restoration, Tenant shall promptly commence and diligently pursue to completion the re-decorating and re-fixturing of the Premises to substantially similar condition as existed prior to the Taking.

Section 12.02. Taking of Building.

If there is a Taking of any portion of the building so as to render, in Landlord's judgment, the remainder unsuitable for use as a building, as the case may be, Landlord shall have the right to terminate this Lease upon thirty (30) days' notice to Tenant. Provided Tenant is not then in default under this Lease, Tenant shall receive a proportionate refund from Landlord of any Rent Tenant paid in advance.

Section 12.03. Condemnation Award.

All compensation awarded for a Taking of any part of the Premises (including, but not limited to, the Leasehold Improvements) or a Taking of any other part of the building shall belong to Landlord. Tenant hereby assigns to Landlord all of its right, title and interest in any such award. Tenant shall have the right to collect and pursue any separate award as may be available under local procedure for moving expenses or Tenant's Property, so long as such award does not reduce the award otherwise belonging to Landlord as aforesaid. If the Lease is terminated as a result of any Taking of the Premises and/or the building, Tenant shall be entitled to make a claim for and recover from the condemning authority the unamortized cost of Tenant's Work, over and above the dollar amount of any funds that may have been paid by Landlord in connection with same, amortized on a straight line basis over the initial Term of this Lease, provided that Tenant has furnished Landlord with a list of Tenant's Work and the itemized cost of those improvements within ninety (90) days after the date on which Tenant opens for business from the Premises.

Article 13.

SUBORDINATION AND ATTORNMENT

Section 13.01. Subordination.

Tenant's rights under this Lease are subordinate to any and all present and future (i) ground or underlying leases now or hereafter affecting all or any part of the building, (ii) mortgages, deeds of trust or other security instruments now or hereafter affecting all or any part of the building, and (iii) easements, licenses, covenants, restrictions or other encumbrances now or hereafter affecting all or any part of the building, including, without limitation, the Development Agreements (those documents referred to in (i) and (ii) above being collectively referred to as a "Mortgage" and the Person or Persons having the benefit of same being collectively referred to as a "Mortgagee"). Tenant's subordination provided in this Section 13.01 is self-operative and no further instrument of subordination shall be required. Notwithstanding the foregoing, Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination of this Lease to any Mortgage including, without limitation, any form of subordination, non-disturbance and attornment agreement requested by any Mortgagee. Landlord agrees to use reasonable efforts to cause any Mortgagee to issue Tenant a subordination, non-disturbance and attornment agreement on the Mortgagee's standard form that provides that, so long as Tenant is not in default of this Lease (after the expiration of any applicable notice and cure period), in the event of any foreclosure, this Lease will not be terminated during the Term hereof as a result of any foreclosure or conveyance in lieu of foreclosure under the deed of trust on the Premises held by such Mortgagee.

Section 13.02. Attornment.

If any Person succeeds to all or part of Landlord's interest in the Premises, whether by purchase, foreclosure, deed in lieu of foreclosure, power of sale, termination of lease or otherwise, Tenant shall, without charge, automatically attorn to such successor-in-interest upon request from Landlord.

Section 13.03. Landlord's Mortgagee's Approval of this Lease.

If Landlord's Mortgagee will approve this Lease only upon the basis of modification of the terms and provisions of this Lease other than any terms and provisions that increase the obligations of Tenant or materially interfere with Tenant's business operations, Landlord shall have the right to cancel this Lease if Tenant refuses to approve in writing any such modifications to the within thirty (30) days after Landlord's request therefor, which request may not be made later than the Term Commencement Date.

Section 13.04. Mortgagee Protection.

Tenant agrees to give Landlord's Mortgagee(s), by certified mail or overnight courier, a copy of any notice of default served upon the Landlord, provided that prior to such notice, Tenant has been notified, in writing (by way of Notice of Assignment of Rents and Leases, or otherwise), of the address of such mortgagee(s). Tenant further agrees that if such notice relates to a Landlord default, and Landlord shall have failed to cure such default, then Landlord's Mortgagee(s) shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any such Mortgagee has commenced and is diligently pursuing the remedies necessary to cure such default, (including, but not limited to, commencement of foreclosure proceedings, if necessary, to effect such cure) in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

Section 13.05. Estoppel Certificate.

Each of Landlord and Tenant, within ten (10) business days after receiving notice from, and without charge or cost to, the other, shall certify by written instrument to the other or any other Person designated by Landlord or Tenant: (i) that this Lease is in full force and effect and unmodified (or if modified, stating the modification); (ii) the dates, if any, to which each component of the Rent due under this Lease has been paid; (iii) whether Landlord or Tenant has failed to perform any covenant, term or condition under this Lease, and the nature of Landlord's or Tenant's failure, if any; and (iv) such other relevant and reasonable information as Landlord or Tenant may request.

Section 13.06. Quiet Enjoyment.

Landlord covenants that it has full right, power and authority to enter into this Lease and that Tenant, upon performing all of Tenant's obligations under this Lease and timely paying all Rent, shall peaceably and quietly have, hold and enjoy the Premises during the Term without hindrance, ejection or molestation by any Person lawfully claiming by, through or under Landlord, subject, however, to the provisions of this Lease and all Mortgages, easements, licenses, covenants, restrictions, encumbrances, and matters of record to which this Lease is subject or may become subject.

Article 14.

ASSIGNMENT AND SUBLETTING

Section 14.01. Landlord's Consent Required.

A. Tenant and any permitted Transferee, as hereinafter defined, shall not voluntarily or involuntarily, by operation of law or otherwise: (i) transfer, assign, mortgage, encumber, pledge, hypothecate, or assign all or any of its interest in this Lease; (ii) sublet or permit the Premises, or any part thereof, to be used by others including, but not limited to, concessionaires or licensees; (iii) issue new stock (or partnership shares or membership interests), create additional classes of stock (or partnership shares or membership interests), or sell, assign, hypothecate or otherwise transfer the outstanding voting stock (or partnership shares or membership interests) so as to result in a change in the present control of Tenant or any permitted Transferee, provided, however, that this subparagraph (iv) shall not be applicable to Tenant so long as it is a publicly owned corporation whose outstanding voting stock is listed on a national securities exchange (as defined in the Securities Exchange Act of 1934, as amended) or is traded actively in the over-the-counter market; or (v) sell, assign or otherwise transfer all or substantially all of Tenant's or any permitted Transferee's assets; without the prior consent of Landlord, in each instance, which consent Landlord may not unreasonably withhold, condition or delay provided that Landlord shall have the right to withhold its consent, in its sole and absolute discretion, if any proposed Transferee proposes to use the Premises for any other use other than the Permitted Use. All of the foregoing transactions shall be referred to collectively or singularly as a "Transfer", and the Person to whom Tenant's interest is transferred shall be referred to as a "Transferee". In providing its consent to any Transfer, Landlord shall be entitled to consider, without limitation, the type of establishment that will be operated in the Premises and the character and reputation of the establishment's operator.

B. Any Transfer without Landlord's consent shall not be binding upon Landlord, shall confer no rights upon any third Person, and shall, without notice or grace period of any kind, constitute a Default by Tenant under this Lease. Acceptance by Landlord of Rent following any Transfer shall not be deemed to be: (i) a consent by Landlord to any such Transfer; (ii) acceptance of the Transferee as a tenant; (iii) release of Tenant from the performance of any covenants herein; or (iv) waiver by Landlord of any remedy of Landlord under this Lease, although amounts received shall be credited by Landlord against Tenant's Rent obligations. Consent by Landlord to any one Transfer shall not (i) be a waiver of the requirement for consent to any other Transfer or (ii) relieve Tenant or any Guarantors hereunder from its duties, obligations or responsibilities under this Lease or any guaranty hereof. No reference in this Lease to assignees, concessionaires, subtenants or licensees shall be deemed to be a consent by Landlord to occupancy of the Premises by any such assignee, concessionaire, subtenant or licensee.

C. Tenant shall remain fully and primarily liable and obligated under this Lease for the entire Term in the event of any Transfer, and in the event of a Default by the Transferee, Landlord shall be free to pursue Tenant, the Transferee, or both, without prior notice or demand to either.

D. Notwithstanding anything herein to the contrary, in the event that Tenant sells all or substantially all of its business operations at the Premises (through a sale of all or substantially all of the membership interest in Tenant or assets of Tenant), Tenant shall be entitled to retain one hundred percent (100%) of the proceeds derived from such sale whether attributable to goodwill, personal property or the then-current rent payable under this Lease. Except in connection with any Transfer made pursuant to the provisions of Section 14.01(F) below and subject to the immediately preceding sentence, in the event of any Transfer (including, without limitation, any sublease or management agreement), Tenant shall pay to Landlord, in addition to all other payments otherwise required under this Lease and as Additional Rent, one hundred percent (100%) of the total rent or charges paid directly or indirectly by Transferee to Tenant for the Transfer which are in excess of the Minimum Rent provided for in this Lease after deducting Tenant's third party, reasonable, out-of-pocket costs incurred in conjunction with the Transfer, with such costs including: (i) the cost to advertise the subject portion of the Premises for assignment or sublease; (ii) brokerage commissions and/or reasonable attorney's fees paid by Tenant; and (iii) such other reasonable, out-of-pocket costs incurred by Tenant relating to the Transfer (including any improvements made to the Premises in accordance with the Lease). Notwithstanding anything herein to the contrary, Tenant shall have no obligation to pay any proceeds received in connection with any assignment of the Premises made in connection with the sale of Tenant's business operations at the Premises; provided, however, that the proceeds shall be first used to cure any default of Tenant hereunder.

E. Except in connection with any Transfer made pursuant to the provisions of Section 14.01(F) below, if Tenant wishes to assign or sublet all or any part of the Premises, Tenant shall, by notice in writing, advise Landlord of its intention from, on and after a stated date (which shall not be less than forty-five (45) days after the date of Tenant's notice) to sublet or assign any part or all of the Premises for the balance or any part of the Term. Tenant's notice shall state the name and address of the proposed subtenant or assignee, and a true and complete copy of the proposed sublease or assignment shall be delivered to Landlord with said notice. Tenant shall, concurrently with any request for Landlord's consent, pay to Landlord a fee in the sum of Two Thousand and No/100 Dollars ($2,000.00) for Landlord's review and processing of such request and Landlord shall not be obligated to review such request prior to Landlord's receipt of such fee. The aforesaid fee shall automatically increase by three percent (3%) on each anniversary of the Term Commencement Date. All reasonable costs and expenses, including attorney's fees incurred by Landlord in connection with any proposed or purported assignment, transfer or sublease shall be borne by Tenant and shall be payable to Landlord as additional rent.

F. So long as Tenant is not entering into the "Permitted Transfer" (as defined below) for the purpose of avoiding or otherwise circumventing the terms of this Section, Tenant may assign its entire interest under this Lease or sublease all or a portion of the Premises, without the consent of Landlord, to the following: (i) a bona-fide operating company of the Tenant; (ii) the tenant of the property located at 3241 M Street (pursuant to a space sharing agreement for certain space in the Premises, as opposed to an assignment or sublease of the entire Premises); (iii) an affiliate, subsidiary, or parent of Tenant, or a corporation, partnership or other legal entity wholly owned by Tenant; or (iv) to a concessionaire, franchisee or licensee for the operation of any portion of the business to be conducted at the Premises, provided that no concessionaire or licensee shall occupy more than twenty five percent (25%) of the rentable area of the Premises or have a separate exterior entrance (each, an "Affiliated Party"), provided that all of the following conditions are satisfied (each such Transfer is referred to herein as a "Permitted Transfer"): (1) Tenant is not in default under this Lease beyond applicable cure periods at the time Tenant provides the "Permitted Transfer Notice" (as hereafter defined); (2) Tenant shall give Landlord written notice at least thirty (30) days prior to the effective date of the proposed commencement of the assignment (the "Permitted Transfer Notice"); and (3) Tenant continues to have a net worth which is at least equal to the greater of Tenant's tangible net worth as of the Effective Date or Tenant's tangible net worth as of the day prior to the Permitted Transfer. The Permitted Transfer Notice shall include information and documentation showing that each of the above conditions has been satisfied. If requested by Landlord, Tenant's successor shall sign a commercially reasonable form of assumption agreement. As used herein, (A) "parent" shall mean a company which owns a majority of Tenant's voting equity; (B) "subsidiary" shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; and (C) "affiliate" shall mean an entity controlled by, controlling or under common control with Tenant.

Article 15.

DEFAULT AND REMEDIES

Section 15.01. Default.

Each of the following events shall constitute a default ("Default") by Tenant under this Lease: (i) if Tenant fails to pay any Rent (or any installment thereof) within three (3) business days after receipt of written notice from Landlord that the same was not timely paid; or (ii) if Tenant breaches or fails to observe or perform any term, condition or covenant of this Lease, other than those involving the payment of Rent or failure to continuously occupy and operate the Premises as required, and such breach or failure is not cured within thirty (30) days after Tenant's receipt of notice thereof, unless such condition cannot reasonably be cured within such thirty (30) days, in which case Tenant must commence such cure within said thirty (30) days and diligently pursue said cure to its completion (provided, however, if such breach or failure creates a hazard, public nuisance or dangerous situation, said thirty (30) day grace period shall be reduced to forty-eight (48) hours after Tenant's receipt of notice); or (iii) if Tenant shall fail to observe or perform according to the provisions of Article 13 of this Lease, and such failure is not cured within five (5) business days after Tenant's receipt of notice thereof; or (iv) if Tenant vacates, abandons or ceases to continuously operate the Premises as required; or (v) if Tenant fails to carry and maintain the insurance required by this Lease.

Section 15.02. Remedies and Damages.

A. Upon the occurrence of a Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below), may do any one or more of the following:

(i) Landlord may elect to terminate this Lease, and the tenancy created hereby by giving notice of such election to Tenant, and thereafter re-enter the Premises by summary proceedings or otherwise, remove Tenant and all other persons and property from the Premises, and store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant without resort to legal process and without Landlord being deemed guilty of trespass or becoming liable in any way for any loss or damage occasioned thereby.

(ii) Landlord may terminate the right of the Tenant to possession of the Premises without terminating Tenant's obligations hereunder, by giving written notice thereof to Tenant and Tenant's right of possession shall end on the date stated in such notice.

(iii) [Intentionally Deleted]

(iv) Landlord may perform, on behalf and at the expense of Tenant, any obligation of Tenant under this Lease which Tenant has failed to perform and of which Landlord shall have given Tenant notice, the cost of which performance by Landlord, together with interest thereon at the Interest Rate from the date of such expenditure plus an administrative fee of twelve percent (12%) of the cost thereof, shall be deemed Additional Rent and shall be payable by Tenant to Landlord upon demand therefor. Notwithstanding anything to the contrary contained herein, regardless of whether a Default shall have occurred, Landlord may exercise the remedy described in this clause (iv) without any notice to Tenant if Landlord, in its good faith judgment believes it would be materially injured by failure to take rapid action or if the unperformed obligation of Tenant constitutes an emergency.

(v) Landlord may exercise any other legal or equitable right or remedy which it may have.

B. (i) If this Lease or Tenant's possessory interest pursuant hereto is terminated by Landlord by reason of a Default by Tenant, Tenant nevertheless shall remain liable for any Rent and damages which may be due or sustained prior to such termination, and all reasonable costs, fees and expenses, including attorneys' fees, incurred by Landlord in pursuit of its remedies hereunder, and/or in connection with any bankruptcy proceedings of Tenant or any guarantor of Tenant, and/or in connection with renting the Premises to others from time-to-time (all such Rent, damages, costs, fees and expenses being referred to herein as "Termination Damages"), plus additional damages ("Liquidated Damages") which shall be an amount equal to the present worth (as of the date of such termination) of Rent which, but for the termination of this Lease, would have become due during the remainder of the Term less the reasonable rental value of the Premises during the remainder of the Term (after considering any reasonable down-time necessary to relet the Premises). Such Termination Damages and Liquidated Damages shall be payable to Landlord in one lump sum on demand, bearing interest at the Interest Rate until paid. "Present Worth" shall be computed by discounting such amount to present worth at a rate equal to one percentage (1%) point above the discount rate then in effect at the Federal Reserve Bank nearest to the building. The Percentage Rent payable with respect to each Lease Year following termination (including the Lease Year in which such termination shall take place) shall be conclusively presumed to be equal to the average Percentage Rent payable with respect to each Lease Year or portion thereof preceding termination.

(ii) If this Lease is terminated by reason of a Default by Tenant, Landlord may (without so obligating itself) relet the Premises or any part thereof, alone or together with other premises, for such term or terms (which may be greater or less than the period which otherwise would have constituted the

balance of Term) and on such terms and conditions (which may include concessions or free rent and alterations of the Premises) as Landlord may determine, in its sole discretion, but Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of, any failure by Landlord to relet the Premises or any failure by Landlord to collect any rent due upon such reletting. Notwithstanding anything herein to the contrary, Landlord agrees to exercise reasonable commercial efforts to mitigate its damages in the event of any default by Tenant under this Lease.

(iii) Notwithstanding anything to the contrary set forth herein, upon the occurrence of a Default, if (i) Landlord must initiate legal action to enforce any one or more of the provisions of this Lease against Tenant, its successors or assigns, or (ii) Landlord must consult with and/or engage an attorney(s) in order (A) to enforce any one or more of the provisions of this Lease against Tenant, any guarantor of Tenant, their successors or assigns, or (B) in connection with any bankruptcy proceedings of Tenant or any guarantor of Tenant, whether or not such consultation and/or engagement results in the initiation of any judicial action or termination of this Lease, then and in any of such events, Tenant, its successors and assigns, undertakes and agrees to pay any and all reasonable costs incurred by Landlord in connection therewith, including, by way of illustration and not of limitation, all reasonable attorneys' fees (inclusive of consultation fees, research costs, and correspondence fees), court costs and any similar professional fees and/or costs associated therewith which shall be deemed additional rent.

(iv) In the event Landlord relets the Premises, or any part thereof, in combination with other premises, or for a term extending beyond the scheduled expiration of the Lease Term, it is understood that Tenant will not be entitled to apply any Rent, Additional Rent or other sums generated or projected to be generated by any such other premises or in the period extending beyond the scheduled expiration of the Lease Term against Landlord's damages.

Section 15.03. Remedies Cumulative.

No reference to any specific right or remedy in this Lease shall preclude Landlord from exercising any other right, from having any other remedy, or from maintaining any action to which it may otherwise be entitled under this Lease, at law or in equity.

Section 15.04. Waiver.

A. Landlord shall not be deemed to have waived any provision of this Lease, or the breach by Tenant of any such provision, unless specifically waived by Landlord in a writing executed by an authorized officer of Landlord. No waiver of a breach shall be deemed to be a waiver of any subsequent breach by Tenant of the same provision, or of the provision itself, or of any other provision.

B. Tenant hereby expressly waives any and all rights of redemption and any and all rights to relief from forfeiture which would otherwise be granted or available to Tenant under any present or future statutes, rules or case law.

C. In any litigation (whether or not arising out of or relating to the Lease) in which Landlord and Tenant shall be adverse parties, both Landlord and Tenant knowingly, voluntarily and intentionally waives their respective rights to trial by jury.

D. Tenant agrees to waive any and all counterclaims Tenant may have in any suit for possession by Landlord (other than mandatory counterclaims which would be waived if not asserted at that time) it being understood that the subject of any such counterclaim may be asserted by Tenant but only in a separate action brought by Tenant against Landlord.

Article 16.

MISCELLANEOUS PROVISIONS

Section 16.01. Notices.

A. Whenever any demand, request, approval, consent or notice (singularly and collectively, "Notice") shall or may be given by one party to the other, such Notice shall be in writing and addressed to the parties at their respective addresses as set forth in Section 1.01 and served by (i) hand, (ii) a nationally recognized overnight express courier, or (iii) registered or certified mail, return receipt requested. The date the Notice is received shall be the date of service of Notice. If an addressee refuses to accept delivery, however, then Notice shall be deemed to have been served on either (i) the date hand delivery is refused, (ii) the next business day after the Notice was sent in the case of attempted delivery by such overnight courier, or (iii) five (5) business days after mailing the Notice in the case of registered or certified mail. Either party may, at any time, change its Notice address by giving the other party Notice, in accordance with the above, stating the change and setting forth the new address.

B. If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no Notice thereafter sent by Tenant to Landlord shall be effective unless and until a copy of the same shall also be sent to such Mortgagee, in the manner prescribed in this Section 16.01, to the address as such Mortgagee shall designate.

Section 16.02. Recording.

Neither this Lease nor a memorandum thereof shall be recorded without the prior written consent of Landlord.

Section 16.03. Interest and Administrative Costs.

A. If (i) Tenant fails to make any payment under this Lease when due, (ii) Landlord performs any obligation of Tenant under this Lease, or (iii) Landlord incurs any costs or expenses as a result of Tenant's Default under this Lease, then Tenant shall pay, upon demand, Interest (as defined in Section 1.02 hereof) from the date such payment was due or from the date Landlord incurs such costs or expenses relating to the performance of any such obligation or Tenant's Default.

B. If Tenant requests Landlord to review and/or execute any documents in connection with this Lease, including (but not limited to) assignment and Transfer documents or a Landlord's waiver or subordination of lien, Tenant shall pay to Landlord, upon demand, as an administrative fee for the review and/or execution thereof, all reasonable costs and expenses, including reasonable attorney's fees (which shall include the cost of time expended by in-house counsel) incurred by Landlord and/or Landlord's agent.

Section 16.04. Legal Expenses.

If Landlord or Tenant institutes any suit against the other in connection with the enforcement of their respective rights under this Lease, the violation of any term or provision of this Lease, the declaration of their rights hereunder, or the protection of Landlord's or Tenant's interests under this Lease, the non-prevailing party shall reimburse the prevailing party for its reasonable expenses incurred as a result thereof, including (but not limited to) court costs and reasonable attorneys' fees. Notwithstanding the foregoing, if Landlord files any legal action for collection of Rent or any eviction proceedings, whether summary or otherwise, for the non-payment of Rent, and Tenant pays such Rent prior to the rendering of any judgment, then Landlord shall be entitled to collect, and Tenant shall pay, all court filing fees and the reasonable fees of Landlord's attorneys.

Section 16.05. Successors and Assigns.

This Lease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord and Tenant, and their respective permitted successors and assigns. Upon any sale or other transfer by Landlord of its interest in the Premises, Landlord shall be relieved of any obligations under this Lease accruing subsequent to such sale or other transfer.

Section 16.06. Limitation on Right of Recovery Against Landlord.

No shareholder, member, trustee, partner, director, officer, employee, representative or agent of Landlord shall be personally liable in respect of any covenant, condition or provision of this Lease. If Landlord breaches or defaults in any of its obligations in this Lease, Tenant shall look solely to the equity of the Landlord in the building (and any future proceeds derived therefrom) for satisfaction of Tenant's remedies. In no event shall Landlord ever be liable for consequential or punitive damages.

Section 16.07. Time is of the Essence.

Time is of the essence with respect to each and every obligation arising under this Lease.

Section 16.08. Entire Agreement; No Representations; Modification.

This Lease is intended by the parties to be a final expression of their agreement and as a complete and exclusive statement of the terms thereof. All prior negotiations, considerations and representations between the parties (oral or written) are incorporated herein. No course of prior dealings between the parties or their officers, employees, agents or affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Lease. No representations, understandings, agreements, warranties or promises with respect to the Premises or the building of which they are a part, or with respect to past, present or future tenancies, rents, expenses, operations, or any other matter, have been made or relied upon in the making of this Lease, other than those specifically set forth herein. This Lease may only be modified, or a term thereof waived, by a writing signed by an authorized officer of Landlord and Tenant expressly setting forth said modification or waiver.

Section 16.09. Severability.

If any term or provision of this Lease, or the application thereof to any Person or circumstance, shall be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 16.10. Joint and Several Liability.

If two or more Persons shall sign this Lease as Tenant, the liability of each such Person to pay the Rent and perform all other obligations hereunder shall be deemed to be joint and several, and all Notices, payments and agreements given or made by, with or to any one of such Persons shall be deemed to have been given or made by, with or to all of them. In like manner, if Tenant shall be a partnership or other legal entity, the partners or members of which are, by virtue of any applicable law, rule, or regulation, subject to personal liability, the liability of each such partner or member under this Lease shall be joint and several and each such partner or member shall be fully obligated hereunder and bound hereby as if each such partner or member had personally signed this Lease.

Section 16.11. Broker's Commission.

Each party represents and warrants to the other party that the warrantor has dealt with no brokers and that there are no claims for brokerage commissions or finder's fees, nor will there be any such claim, arising from any act or omission of the warrantor in connection with this Lease, and the warrantor agrees to indemnify the other party and hold it harmless from all liabilities arising from any such claim, including, without limitation, the cost of attorneys' fees in connection therewith. Such agreement shall survive the termination of this Lease.

Section 16.12. Irrevocable Offer, No Option.

The submission of this Lease by Landlord to Tenant for examination shall not constitute an offer to lease or a reservation of or option for the Premises. Tenant's execution of this Lease shall be deemed an offer by Tenant, but this Lease shall become effective only upon execution thereof by both Landlord and Tenant.

Section 16.13. Inability to Perform.

Except for the payment of monetary obligations, if Landlord or Tenant is delayed or prevented from performing any of its obligations under this Lease by reason of strike, labor troubles, or any similar cause whatsoever beyond their reasonable control, the period of such delay or such prevention shall be deemed added to the time herein provided for the performance hereunder of any such obligation by Landlord or Tenant. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of either party.

Section 16.14. Survival.

Occurrence of the Termination Date shall not relieve the parties from their respective obligations accruing prior to the expiration of the Term. All such obligations shall survive termination of the Lease.

Section 16.15. Corporate Tenants.

If Tenant is not an individual, the individual(s) executing this Lease on behalf of Tenant hereby covenant(s) and warrant(s) that Tenant is duly formed, qualified to do business and in good standing in the state in which the building is located, and such person(s) executing this Lease on behalf of Tenant are duly authorized by Tenant to execute and deliver this Lease on behalf of Tenant. Tenant shall remain qualified to do business and in good standing in said state throughout the Term.

Section 16.16. Construction of Certain Terms.

The term "including" shall mean in all cases "including, without limitation." Wherever either party is required to perform any act hereunder, such party shall do so at its sole cost and expense, unless expressly provided otherwise. All payments to Landlord, other than Minimum Rent, whether as reimbursement or otherwise, shall be deemed to be Additional Rent, regardless of whether denominated as "Additional Rent." The parties agree that this Lease shall be deemed to have been prepared by both parties and any ambiguities shall be construed without regard to which party may have drafted the particular clause containing the ambiguity.

Section 16.17. Showing of Premises.

Landlord may, upon reasonable prior notice, enter upon the Premises for purposes of showing the Premises to Mortgagees or prospective Mortgagees at any time during the Term and, to prospective tenants. Landlord agrees to exercise commercially reasonable efforts to minimize interference with Tenant's business operations during any such access.

Section 16.18. Relationship of Parties.

This Lease shall not create any relationship between the parties other than that of Landlord and Tenant.

Section 16.19. Rule Against Perpetuities.

Notwithstanding any provision in this Lease to the contrary, if the Term has not commenced within twenty-four months following the date hereof, this Lease shall automatically terminate on such date. The sole purpose of this provision is to avoid any possible interpretation of this Lease as violating the Rule Against Perpetuities, or any other rule of law or equity concerning restraints on alienation.

Section 16.20. Choice of Law.

This Lease shall be construed, and all disputes, claims, and questions arising hereunder shall be determined, in accordance with the laws of the District of Columbia.

Section 16.21. Choice of Forum.

Any action involving a dispute relating in any manner to the Lease, the relationship of Landlord/Tenant, the use or occupancy of the Premises, and/or any claim of injury or damage shall be filed and adjudicated solely in the state or federal courts of the jurisdiction in which the Premises are located.

[REMAINDER OF PAGE INTENTIONALLY BLANK;
EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this Lease under their respective hands and seals as of the day and year first above written.

WITNESS:

LANDLORD:

2441 Bond St Equities, LLC,
a Delaware limited liability company

By: _____
Name: Matthew Winder
Title: Member

WITNESS:

TENANT:

GBP, LLC,
a District of Columbia limited liability company

By: _____
Name: Jonathan Umbel
Title: managing member

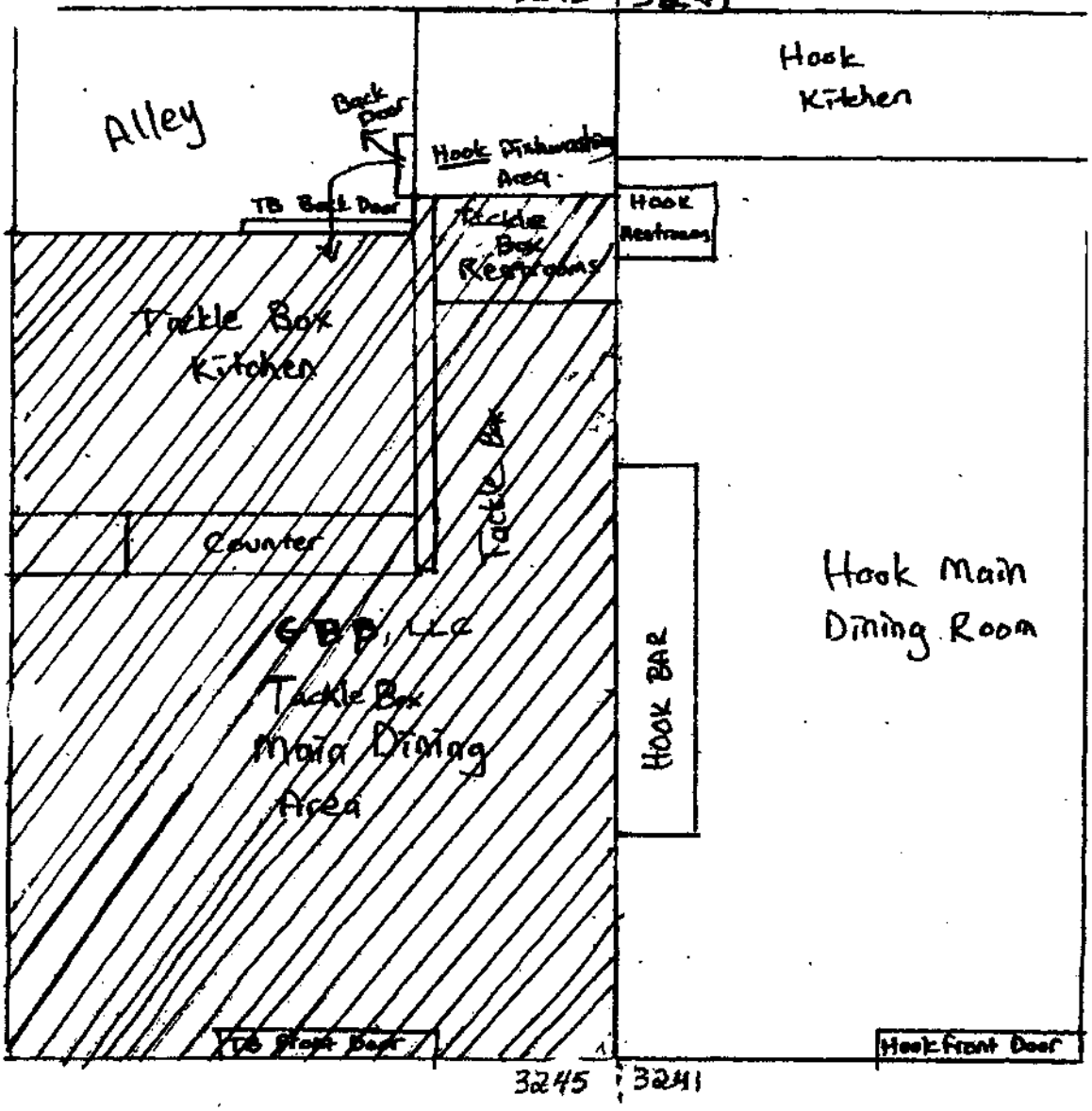
EXHIBIT A

PREMISES

Exhibit A

G.B.P, LLC
Lease

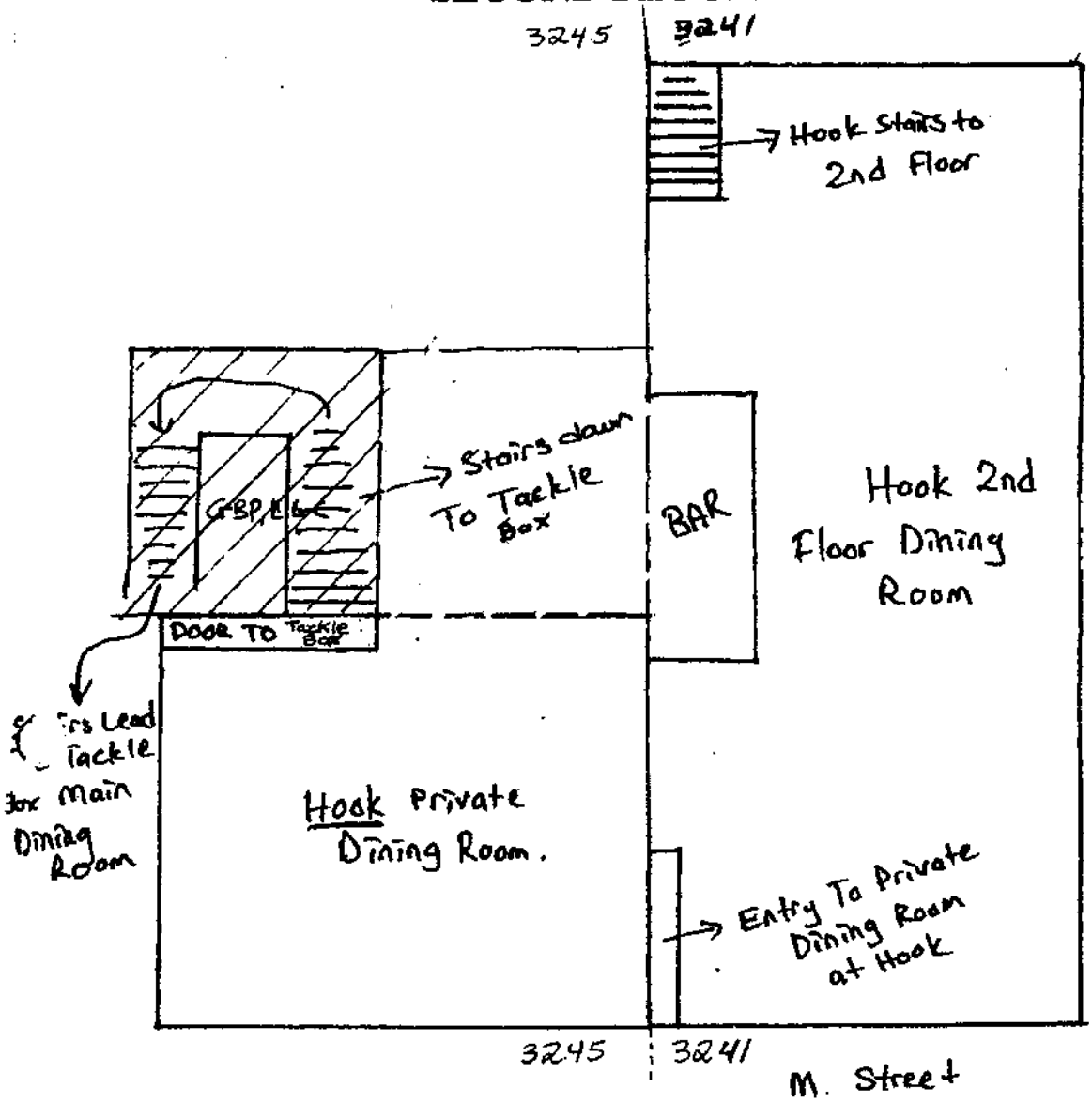
HOOK TO TACKLE BOX ENTRY
MAIN FLOOR
And Back Entry.



G.B.P, LLC = dba, Tackle Box

Exhibit A
GBP, LLC
Lease

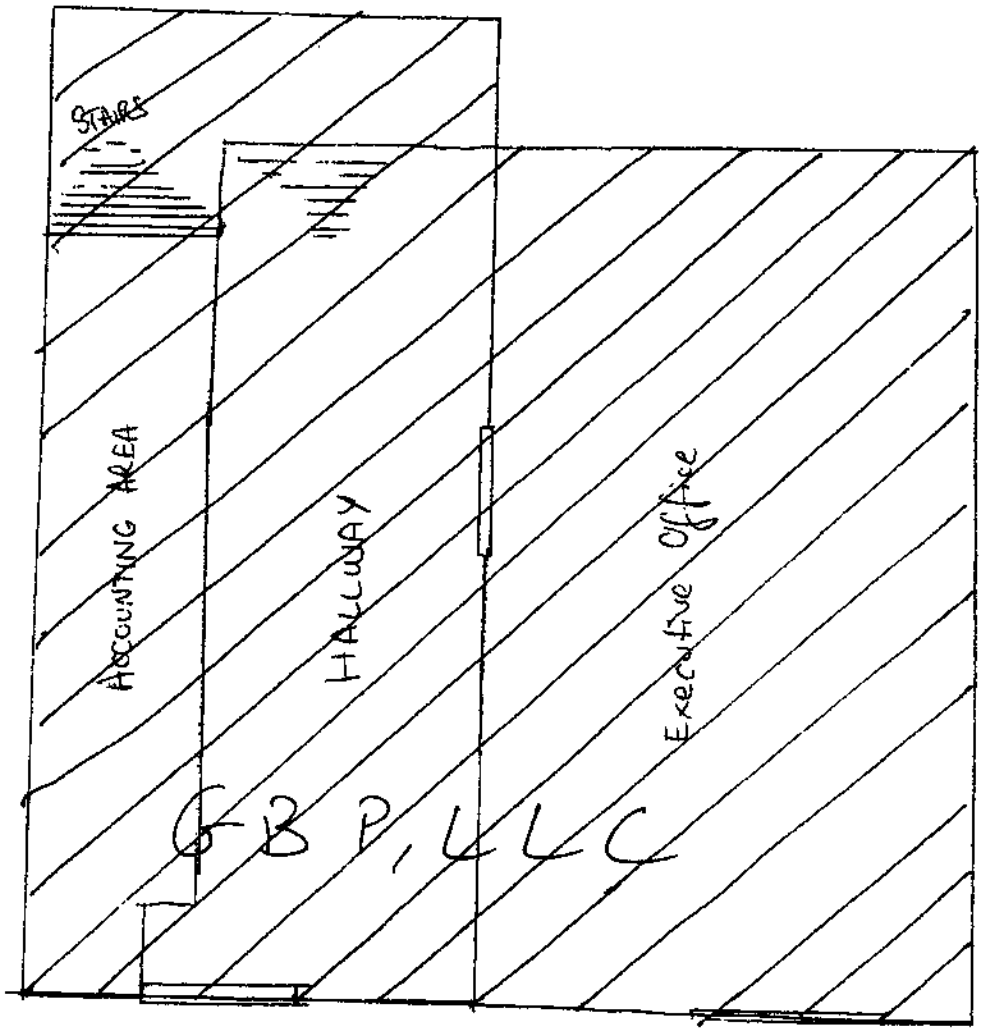
HOOK TO TACKLE BOX ENTRY
SECOND FLOOR



GBP, LLC = Tackle Box

Exhibit A
GBP, LLC
Lease 3245 Only

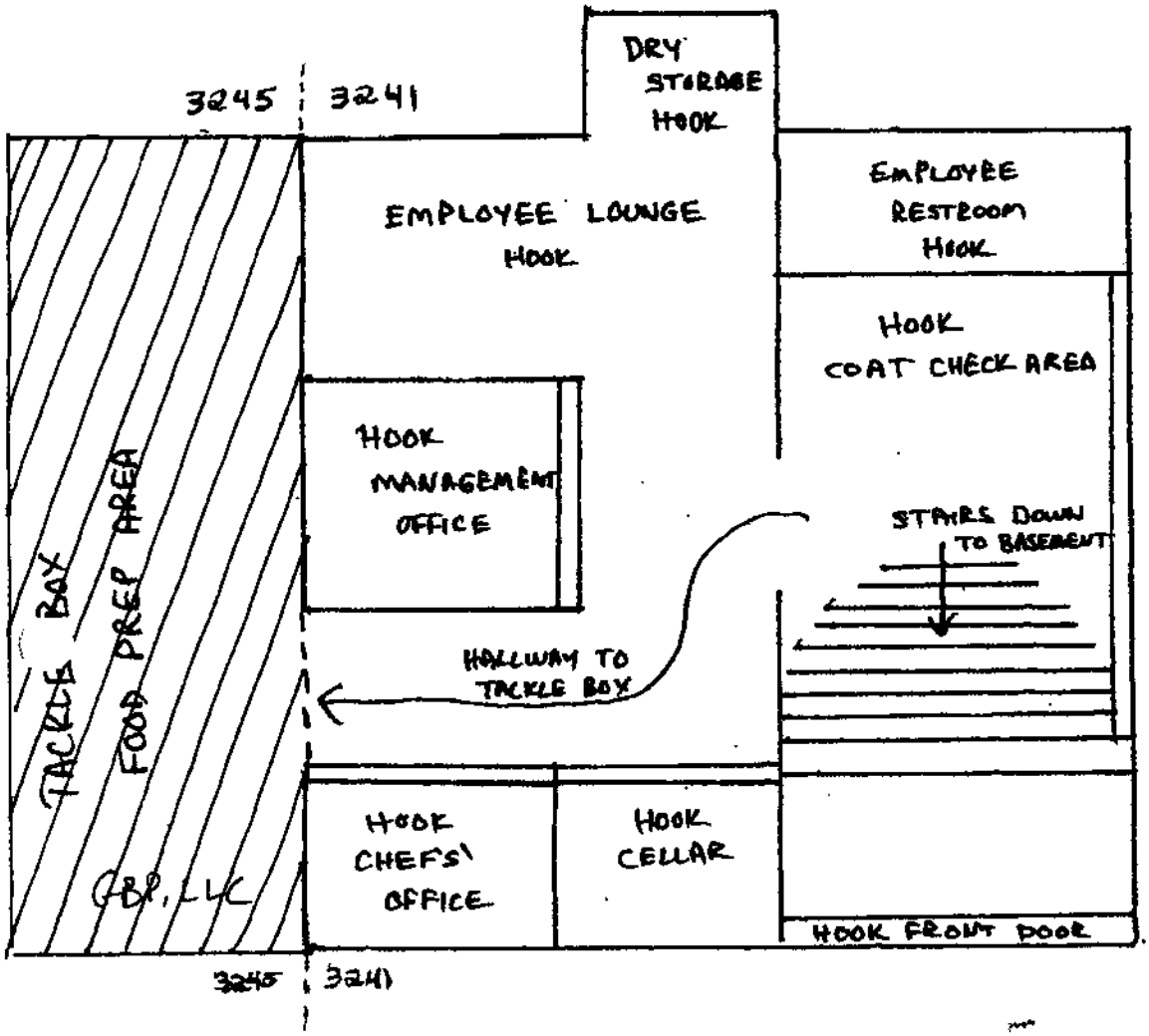
3rd Floor



GBP, LLC = Tackle Box

Exhibit H
GBP, LLC
Lease

HOOK TO TACKLE BOX ENTRY
BASEMENT LEVEL



GBP, LLC = Tackle Box

EXHIBIT B

GUARANTY OF LEASE AGREEMENT

THIS GUARANTY OF LEASE AGREEMENT is executed simultaneously with attached Lease.

In consideration of the execution of that certain Lease Agreement (the "Lease"), dated as of the 28 day of SEPT., 2010, by and between 2441 Bond St Equities, LLC, a Delaware limited liability company, (in the Lease and hereinafter referred to as "Landlord"), and GBP, LLC, a District of Columbia limited liability company (in the Lease and hereinafter referred to as "Tenant") and for other good and valuable consideration, the receipt whereof is hereby acknowledged, Jonathan Umbel and Bethany Umbel, jointly and severally (hereinafter collectively referred to as the "Guarantor"), do unconditionally guarantee to Landlord, its successors and assigns, the performance by Tenant, of each and every undertaking, covenant and agreement on the part of Tenant to be performed pursuant to the Lease, to the same extent and with the same full force and effect as though the Guarantor had been named in the Lease as tenant, either singularly or as a tenant jointly and severally with Tenant, it being understood and agreed that the obligation hereby assumed shall be deemed primary and not secondary and that Landlord, its successors or assigns, may proceed for the enforcement of any such covenant, condition or undertaking against the Guarantor, or jointly against the Guarantor and Tenant, without having first proceeded separately against Tenant.

Guarantor does hereby irrevocably, unconditionally and without reservation guarantee to the Landlord and Landlord's successors in interest and assigns, the following:

(a) the due and punctual payment in full (and not merely the collectibility) when and as due of all rentals, including any escalations or additional rental due under said Lease, and

(b) the due and punctual performance and completion by Tenant of all covenants, undertakings, duties, agreements, liabilities, obligations and requirements made by or imposed upon the Tenant pursuant to the terms and provisions of said Lease.

All matters mentioned in clauses (a) and (b) the preceding sentence are hereinafter collectively sometimes called the "Obligations". Notwithstanding the foregoing or anything contained herein to the contrary, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to (i) the sum of twelve (12) months' Minimum Rent and Additional Rent payable hereunder (at the rate then in effect under the Lease during the twelve (12) month period following commencement of the undersigned's payment obligations hereunder); and (ii) the costs and expenses, including without limitation all court costs, all expenses and all reasonable attorney's fees, paid or incurred by Landlord in the enforcement of Landlord's rights under said Lease and under this Guaranty. Notwithstanding the foregoing or anything contained herein to the contrary, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to any Obligations first accruing during the initial ninety (90) months following the Term Commencement Date. Notwithstanding the foregoing or anything contained herein to the contrary, in the event that Tenant's interest in the Lease is assigned, Guarantor's liability for the Obligations pursuant to this Guaranty of Lease Agreement shall be limited to any Obligations first accruing for the initial twenty-four (24) months following the effective date of such assignment, provided that such assignee provides a guaranty from a guarantor reasonably acceptable to Landlord providing for the guaranty of the Obligations set forth and as limited herein, excepting the limitation provided pursuant to this sentence.

The Guarantor hereby expressly further covenants and agrees that if any default shall be made by the Tenant in the payment of any of the aforesaid Obligations at any time(s) beyond any applicable grace period, then and in any such event the Guarantor will truly pay said Obligations and all arrears thereof and perform and complete said Obligations and all defaults thereunder, and all damages, claims, demands, costs and expenses which the Landlord may suffer or sustain or which may arise in consequence of the breach or non-performance by Tenant of any of Tenant's Obligations under said Lease.

The liabilities and undertakings of the Guarantor hereunder, if more than one person or entity is the Guarantor hereunder, shall be joint and several. The liabilities and undertakings of Guarantor shall be and are primary, direct and immediate and shall not be conditional or contingent upon the pursuit or enforcement by Landlord of any remedies it may have against the Tenant with respect to the Lease, whether pursuant to the terms thereof or by operation of law. Without limiting the generality of the foregoing, it is agreed that Landlord need not make any demand on Tenant or otherwise pursue, enforce or exhaust its remedies against Tenant either before, concurrently with or after pursuing or enforcing its rights and remedies hereunder. Any one or more successive or concurrent actions or proceedings may be brought against any one or more Guarantors (if more than one) under this Guaranty, in separate actions or proceedings, as often as Landlord may deem expedient or advisable, and without constituting an election of remedies or a bar to any other remedies available to Landlord.

Guarantor hereby expressly waives (i) presentment and demand for payment of the Obligations and protest of non-payment; (ii) notice of acceptance by Landlord of this Guaranty Agreement and of presentment, demand and protest thereof; (iii) notice of any default hereunder or under the Lease and notice of all indulgences; (iv) demand for observance, performance or enforcement of any of the terms or provisions of this Guaranty Agreement or the Lease; (v) any right or claim of right to cause a marshaling

of the assets of the Tenant; (vi) any and all rights which either may have to request a jury trial in any proceeding at law or in equity in any court of competent jurisdiction and (vii) all other notices and demands otherwise required by law which the Guarantor may lawfully waive. Until all of Tenant's obligations under the Lease are fully performed, Guarantor (a) waives any rights that Guarantor may have against Tenant by reason of any one or more payments or acts in compliance with the obligations of Guarantor under this Guaranty; and (b) subordinates any liability or indebtedness of Tenant held by Guarantor to the obligations of Tenant to Landlord under the Lease.

Guarantor hereby further agrees that the failure of Landlord to require strict performance at any time(s) of the terms, provisions or covenants of said Lease or any waiver by Landlord of performance by Tenant thereunder, shall not release the undersigned Guarantor from any liability under this Guaranty. Guarantor hereby agrees that the terms and provisions of said Lease may be amended or modified in any manner in writing by the parties thereto without notice to the Guarantor, and without said Guarantor's consent, approval or waiver, and without thereby releasing the Guarantor from any liability under this Guaranty. This Guaranty, and the Guarantor's liabilities and obligations hereunder, shall extend fully to said Lease and also to all of the terms and provisions of any and all amendments, modifications or changes at any times(s) made to said Lease, with or without notice thereof. This Guaranty and the Guarantor's liability hereunder shall continue unaffected by any assignment or assignments of the Lease (in whole or in part) or by any sublettings in whole or in part of the premises demised thereunder, made from time to time, whether or not notice thereof is given to Guarantor. The Guarantor hereby expressly waives all right to notice or approval by it, them or either of them of any assignment, subletting, modification or amendment affecting said Lease in whole or in part, and also as to the substance of any such modifications or amendments to said Lease made at any time(s). Guarantor hereby acknowledges its receipt of a complete copy of said Lease prior to execution of this Guaranty.

All provisions hereof shall be binding upon and enforceable against the Guarantor and/or either one of them individually, jointly and severally and shall inure to the benefit of and be enforceable by the Landlord and its successors in interest, heirs and assigns. This Guaranty and all of the terms and conditions hereunder shall be binding on Guarantor and the successors, assigns and legal representatives of Guarantor.

Time is hereby agreed to be of the essence as regards all of the Guarantors' liabilities, covenants, undertakings and obligations hereunder. To the extent permitted by law, Guarantor waives the benefit of any statute of limitations affecting Guarantor's liability under this Guaranty.

If Landlord becomes obligated by any bankruptcy or other law involving Tenant or any Guarantor as the subject debtor to repay to Tenant or any Guarantor or to any trustee, receiver or other representative or any of them, any amounts previously paid to Landlord under the Lease or the Guaranty, then this Guaranty shall be reinstated in the amount of such repayment. Landlord shall not be required to litigate or otherwise dispute its obligation to make such repayments if it in good faith and on the advice of counsel believes that such obligation exists or might exist. Neither the Guarantor's Obligations hereunder nor any remedy for the enforcement thereof shall be impaired, modified, released, limited, or affected in any way by any impairment, modification, release, or limitation of the liability of Tenant or its estate in bankruptcy, resulting from (i) the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same, (ii) the rejection or disaffirmance of the Lease in any such proceedings, or (iii) the assumption and assignment or transfer of the Lease by Tenant or Tenant's bankruptcy trustee. The Guarantor hereby waives any claim, right or remedy which the Guarantor may now have or hereafter acquire against Tenant that arises hereunder and/or from the performance by the Guarantor hereunder including, without limitation, any claim, remedy or right of subrogation, reimbursement exoneration, indemnification, or participation in any claim, right or remedy of Guarantor against Tenant or any security which the Guarantor now have or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise.

None of the terms or provisions of this Guaranty may be waived, modified, discharged or terminated except by instrument in writing executed by the Landlord. None of the terms or provisions of this Guaranty shall be deemed to have been abrogated or waived by reason of any failure or failures of Landlord to enforce the same. No Guarantor shall be relieved of any liability hereunder by reason of the failure of Landlord to comply with any request of Guarantor or of any other person to take action to enforce any provisions of the Lease or by reason of any agreement of stipulation extending the time of payment of the Obligations or of performance or modifying the terms of the Lease without first having obtained the consent of the Guarantor.

If Tenant holds over beyond the expiration or other termination of the term of the Lease, the Guarantor's Obligations hereunder shall extend and apply with respect to the full and faithful performance and observance of all of the Obligations throughout the duration of any such hold over period.

The Guarantor further acknowledges that the Guarantor shall be subject to the jurisdiction of the Courts of the District of Columbia, and that this Guaranty shall be construed according to the laws of the District of Columbia, for the purpose of any proceeding instituted to enforce any covenant or undertaking hereby assumed.

If Guarantor is an entity, the undersigned hereby warrants and represents that this Guaranty has been duly authorized by all necessary action of such entity, has been duly executed and delivered by a

duly authorized officer and constitutes Guarantor's valid and legally binding agreement in accordance with it terms.

Notwithstanding anything herein to the contrary, Guarantor shall not be liable to Landlord for any obligations of Tenant first accruing following the expiration of the fifth (5th) Lease Year of the Lease.

IN WITNESS WHEREOF, this Guaranty has been duly executed by the Guarantor as of the 21 day of SEPT, 2010.

WITNESS:

GUARANTOR:

Name: JONATHAN UNGER
Social Security Number: 214-78-5154
Attach copy of driver's license

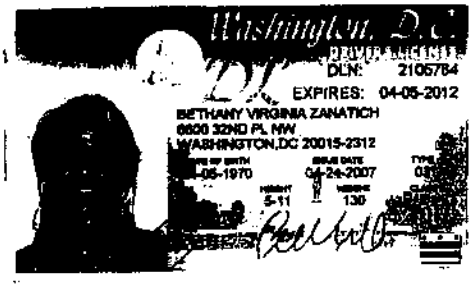
Name: Bethany Gunetsch Unger
Social Security Number: 154-78-3348
Attach copy of driver's license

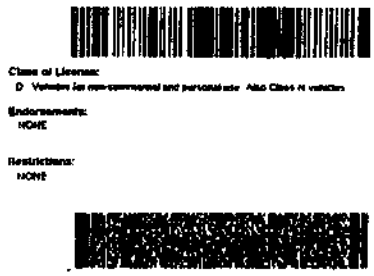
Subscribed and sworn to before me this 28 day of SEPT, 2010.

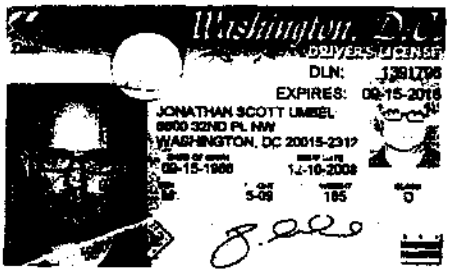
Notary Public

My commission expires:

Patricia Anne Gregg
Notary Public, District of Columbia
My Commission Expires 7/31/2011


Washington, D.C.
DRIVER LICENSE
DLN: 2106784
EXPIRES: 04-05-2012
BETHANY VIRGINIA ZANATICH
6600 32ND PL NW
WASHINGTON,DC 20015-2312
-06-1970
04-24-2007
5-11
130


Class of License:
D
Endorsements:
NONE
Restrictions:
NONE


Washington, D.C.
DRIVER'S LICENSE
DLN:
EXPIRES: 09-15-2016
JONATHAN SCOTT UMBEL
6600 32ND PL NW
WASHINGTON, DC 20015-2312
09-15-1988
12-10-2008
M
5-09
185
0

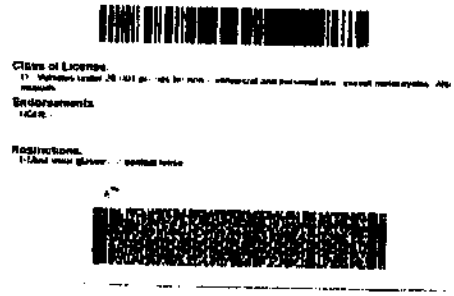

Class of License:
Endorsements:
NONE
Restrictions:

EXHIBIT C

CERTIFICATE OF LEASE COMMENCEMENT DATE

ATTACHED to and made a part of the Lease dated 25 day of SEPT., 2010 (the "Lease"), entered into by and between 2441 Bond St Equities, LLC, as Landlord, and GBP, LLC, as Tenant.

The undersigned Landlord and Tenant do hereby declare as follows:

i. The date of the Lease is SEPT. 28, 2010

ii. The Term Commencement Date is SEPT. 25, 2010

iii. The Term shall expire on SEPT. 30, 2010

iv. As of the date of the acceptance as herein set forth, there is, to the actual knowledge of Tenant, no right of set off of any kind whatsoever claimed by Tenant against Landlord.

Witness:

LANDLORD:

2441 Bond St Equities, LLC, a Delaware limited liability company

By: _____ (SEAL)
Name: Matthew Wexler
Title: Member

Witness:

TENANT:

GBP, LLC, a District of Columbia limited liability company

By: _____ (SEAL)
Name: Jonatha Umbel
Title: member

EXHIBIT D

GROSS SALES REPORT FORM

Please mail to:

Phone:
Fax:

Tenant Name: GBP, LLC

Premises: 3245 M

Date: _____

I hereby certify that, to the best of my knowledge, Gross Sales as defined in the Lease for the above location are as follows:

Month:	_____
Year:	_____
Sales Amount for Month:	_____
Sales Amount Lease Year to Date:	_____
Applicable Lease Year Annual Breakpoint:	_____
Percentage Rent Payable for Month:	_____

Tenant's assignee:

By:_____
Name:_____
Title:_____

EXHIBIT F

RESTORATION AGREEMENT AND LEASE AMENDMENT

This Restoration Agreement and Lease Amendment (the "Agreement") is made this 28th day of February 2012 by and between 2441 Bond St Equities, LLC (the "Landlord"), on the one hand, and Pure Hospitality, LLC d/b/a Hook (the "Tenant"), on the other. For the purposes of this Agreement, the Landlord and the Tenant may be referred to individually as the "Party" or collectively as the "Parties."

WHEREAS, the Landlord is the owner of the real property and improvements located at 3241 and 3245 M Street, N.W. in Washington, D.C. (collectively, the "Buildings"). Pursuant to a Lease executed on or about September 28, 2010 (the "Lease"), the Landlord leased to the Tenant and the Tenant leased from the Landlord, 3241 M Street, N.W. and a portion of 3245 M Street, N.W. (collectively, the "Property").

WHEREAS, on June 29, 2011, a fire occurred at 3241 M Street, N.W., resulting in a Casualty as that term is defined in Article 11 of the Lease.

WHEREAS, pursuant to Section 11.03 of the Lease, the Landlord has a duty to perform certain reconstruction work, including, *inter alia*, to repair the Property in a substantially similar condition as of the Term Commencement Date (as that term is defined in the Lease) (the "Landlord's Work").

WHEREAS, pursuant to Section 11.04 of the Lease, the Tenant has a duty to perform certain reconstruction work, including, *inter alia*, the redecorating and refixturing of the Property in a substantially similar condition as existed prior to the Casualty (the "Tenant's Work").

WHEREAS, the Parties agree to hold each other harmless for any delays which may have occurred with respect to the completion of the Landlord's Work and the Tenant's Work.

WHEREAS, the Parties desire to coordinate the Landlord's Work and the Tenant's Work (collectively, the "Work"), subject to the terms and conditions set forth in this Agreement, so the Work may be done efficiently and to the end that Tenant's business at the Property may re-open as soon as is practical.

WHEREAS, the Parties desire to make certain amendments to the Lease as set forth herein.

Now, therefore, in consideration of the mutual promises and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The recitals stated above are incorporated herein and made a part of this Agreement.

2. The Landlord approves the plans for the Tenant's Work prepared by Street Sense and previously submitted to the Landlord by the Tenant. Any deviations from those plans shall be

approved in advance by the Landlord, whose approval may be withheld in accordance with the standard set forth in Section 9.02 of the Lease.

3. The Landlord has contracted with Minkoff Construction Company ("Minkoff") to perform the Landlord's Work. The Landlord agrees that the Tenant may contract directly with Minkoff for Minkoff's performance of all or any portion of Tenant's Work. The Tenant shall be solely financially responsible for the performance of the Tenant's Work and Landlord shall have no liability to Minkoff or any other person or entity for any of the Tenant's Work.

4. Both parties will instruct Minkoff to carry out both the Landlord's Work and the Tenant's Work in a manner which is designed to complete all of the Landlord's Work and Tenant's Work in the most efficient and timely manner.

5. The parties agree that Minkoff shall coordinate the Landlord's Work and the Tenant's Work. To the extent that any of the Tenant's Work is to be performed by any person or entity not under the direct supervision of Minkoff, such work shall be performed only at such times and in such stages as may be approved in advance by Minkoff. All such work shall be performed by contractors who are licensed in the District of Columbia and acceptable to Minkoff.

6. The Landlord, the Tenant and Minkoff will meet weekly to review progress and resolve any construction issues with respect to the Landlord's Work and the Tenant's Work.

7. The Tenant agrees to pay Minkoff, in advance, for all of the Tenant's Work. At any point during the performance of the Tenant's Work, a change order is submitted by the Tenant or Minkoff advises that additional funds will be required, the Tenant agrees to pay the same within three (3) business days.

8. Tenant, at Tenant's expense, will provide "as built" plans for the Tenant's Work within thirty (30) days of completion of the Work.

9. As a result of the Casualty, the Rent (as that term is defined in the Lease) has abated pursuant to Section 11.02.B. of the Lease. The Parties agree that the Tenant's rent abatement shall terminate effective April 6, 2012, and that the Tenant is thereafter responsible for paying Rent without regard to the status of the Work. The Tenant is responsible for paying the Landlord Rent (as that term is defined in the Lease) for the period from April 6, 2012 through April 30, 2012 by no later than April 6, 2012.

10. Tenant agrees to indemnify and hold the Landlord harmless from any and all damages to the Property arising out of and/or resulting from the Tenant's Work. The Tenant further agrees to indemnify and hold the Landlord harmless from any and all liability with respect to any work performed by Minkoff beyond that work specifically detailed on the plans provided by Tenant to, and approved by, the Landlord. Such indemnification and hold harmless agreement by the Tenant shall not act as, or be construed, as the Landlord's consent, explicit, implied or otherwise, for the Tenant to request that Minkoff perform any work which exceeds that which has been previously approved by the Landlord.

EXHIBIT G

FP DC Management, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037
Phone: 202-391-0700

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

February 13, 2012

Pure Hospitality, LLC
Attn: Jonathan S. Umbel
3245 M Street, NW 3rd Floor
Washington, DC 20007

Re: **Notice - PURE Hospitality, LLC lease with 2441 Bond St Equities, LLC for premises located at 3241 M Street and 3245 M Street, NW, Washington D.C.**

Dear Mr. Umbel:

The undersigned, FP DC Management, LLC, is the manager ("Manager") of the buildings located at 3241 M Street and 3245 M Street, NW, Washington D.C. (the "Premises") for 2441 Bond St Equities, LLC ("Landlord"). In this regard, reference is made to that certain lease dated September 28, 2010 (the "Lease") between Landlord and PURE Hospitality, LLC ("Tenant").

Per Section 5.12 of the Lease, Landlord hereby gives notice to Tenant that Tenant's security deposit is below $10,000.

Nothing in this letter is intended to waive any of Landlord's rights, remedies and powers against Tenant or any guarantor under the Lease, or to otherwise waive any default thereunder by Tenant, whether specified above or otherwise, and Landlord expressly reserves all of its remedies, rights and powers against Tenant or any Lease guarantor.

Sincerely,

Matt Wexler
FP DC Management, LLC

Attachments:
1. Security deposit accounting

2441 Bond St Equities, LLC 2/13/2012

February 13, 2012 notices to GBP, LLC & PURE Hospitality, LLC

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Security Deposit balance as of February 13, 2012	$18,993.29
Rent Funded to Landlord through Security Deposit	($18,993.29)
Security Deposit balance as of February 13, 2012	$0.00
Security Deposit balance for GBP, LLC	$0.00
Security Deposit balance for PURE Hospitality, LLC	$0.00

EXHIBIT H

2441 BOND ST EQUITIES, LLC
to [illegible]
The Gelman Building
2120 L St. NW Suite 3[illegible]

CERTIFIED MAIL

7011 2970 0000 5317 3873

UNITED STATES POSTAL SERVICE

1000

20007

U.S. POSTAGE
PAID
WASHINGTON.DC
20036
FEB 13, '12
AMOUNT
$3.85
00085345-13

REASON CHECKED
[illegible] Left No Address
[illegible] Unable to Forward
[illegible] Forwarded - Not Known
[illegible] Refused
[illegible] No Such Number
[illegible] Vacant

Returned
2/14/12

PURE Hospitality, LLC
c/o Jonathan Unsel
3245 M St. NW 3rd Floor
Washington, DC 20007

EXHIBIT I

FP DC Management, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037
Phone: 202-391-0700

March 30, 2012

VIA FEDERAL EXPRESS

PURE Hospitality, LLC t/a Hook
Attn.: Jonathan Umbel
3245 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Default and Demand for Cure for Non-Monetary Breach** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C. comprising approximately 5,092square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	PURE Hospitality, LLC t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

The Tenant is in default of its obligations under the Lease because the Tenant has failed to replenish the Security Deposit after the balance of the same became less than $10,000.

The Tenant is in breach of Section 5.12, entitled "Security Deposit," which states in pertinent part: "In the event that the balance of the Security Deposit is less than Ten Thousand Dollars ($10,000.00), Tenant shall, within ten (10) days of Notice from Landlord, restore the Security Deposit to at least Ten Thousand Dollars ($10,000.00), the failure of which shall be a Default of this Lease." *See* Lease at Section 5.12, p. 10. In a letter dated February 13, 2012 and sent Certified Mail, Return Receipt Requested, the Landlord notified the Tenant that the Security Deposit had dropped below $10,000.00. At no point within ten (10) days (plus an additional 5 business days due to the Tenant's failure to accept delivery of the letter) did the Tenant replenish the Security Deposit as required by the Lease.

This letter serves as written notice of the Tenant's default under the terms of the Lease. The Tenant has thirty (30) days to cure this default by replenishing the Security Deposit to a level of at least $10,000.00, within the aforementioned thirty (30) days. *See* Lease at Section 15.01, p. 19.

If the Tenant fails to cure the defaults as required in this Notice, then the Landlord will be entitled to exercise all rights and remedies available to it under the Lease and under applicable law, including, without limitation, the right to terminate the Lease and/or seek possession of the Property by filing a Complaint for Possession of Real Property with the Superior Court of the District of Columbia's Landlord and Tenant Branch.

The Lease obligates the Tenant to pay the Landlord's attorneys' fees. *See* Lease at Section 15.02.B.(iii), p. 19. The Landlord's legal expenses will only continue to increase until this matter is resolved. It is imperative that the Tenant cure the default so that the Landlord's legal expenses are kept to a minimum.

This Notice does not suspend or modify the Tenant's future obligations under the Lease. The Tenant remains responsible for paying all amounts which come due under the Lease and/or the Restoration Agreement and Lease Amendment after the date of this Notice, i.e., Rent (as that term is defined in the Lease) which will come due on April 6, 2012 under the Restoration Agreement and Lease Amendment and on the 1st of each month thereafter. This letter also serves as written notice to the Tenant that the acceptance by the Landlord of any partial payment or performance due under the Lease prior to the expiration of any applicable cure period, or after the exercise of any right or remedy that the Landlord may have, will be without prejudice to the rights and remedies of the Landlord under the Lease, at law and/or in equity. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Your prompt attention to this matter is anticipated. Thank you.

Sincerely yours,

Matthew Wexler
FP DC Management, LLC
Asset Manager for 2441 Bond St Equities, LLC

cc: Joshua M. Greenberg, Esq.
Richard W. Luchs, Esq.

Attachment: February 13, 2012 Notice to Tenant

FP DC Management, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037
Phone: 202-391-0700

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

February 13, 2012

Pure Hospitality, LLC
Attn: Jonathan S. Umbel
3245 M Street, NW 3rd Floor
Washington, DC 20007

Re: **Notice - PURE Hospitality, LLC lease with 2441 Bond St Equities, LLC for premises located at 3241 M Street and 3245 M Street, NW, Washington D.C.**

Dear Mr. Umbel:

The undersigned, FP DC Management, LLC, is the manager ("Manager") of the buildings located at 3241 M Street and 3245 M Street, NW, Washington D.C. (the "Premises") for 2441 Bond St Equities, LLC ("Landlord"). In this regard, reference is made to that certain lease dated September 28, 2010 (the "Lease") between Landlord and PURE Hospitality, LLC ("Tenant").

Per Section 5.12 of the Lease, Landlord hereby gives notice to Tenant that Tenant's security deposit is below $10,000.

Nothing in this letter is intended to waive any of Landlord's rights, remedies and powers against Tenant or any guarantor under the Lease, or to otherwise waive any default thereunder by Tenant, whether specified above or otherwise, and Landlord expressly reserves all of its remedies, rights and powers against Tenant or any Lease guarantor.

Sincerely,

Matt Wexler
FP DC Management, LLC

Attachments:
1. Security deposit accounting

2441 Bond St Equities, LLC 2/13/2012

February 13, 2012 notices to GBP, LLC & PURE Hospitality, LLC

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Security Deposit balance as of February 13, 2012	$18,993.29
Rent Funded to Landlord through Security Deposit	($18,993.29)
Security Deposit balance as of February 13, 2012	$0.00
Security Deposit balance for GBP, LLC	$0.00
Security Deposit balance for PURE Hospitality, LLC	$0.00

EXHIBIT J

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

April 24, 2012

BY EMAIL
BY FEDERAL EXPRESS

Pure Hospitality, LLC t/a Hook
Attn: Jonathan Umbel
3241 M Street, N.W.
Washington, D.C. 20007

Re:	**Tax Bills; Demand for Payment and Rent Abatement**
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C., including three floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality, LLC t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

This letter responds to your email correspondence regarding the tax bills that are due and owing by the Tenant to the Landlord. The Tenant's claim that its rent abatement obviates its responsibility for reimbursing the Landlord for the tax bills which the Landlord paid is incorrect.

The Tenant has asserted that it is not responsible for any tax bills during the period of time it was receiving a rent abatement – from September 1, 2011 thru April 6, 2012. While the Landlord agrees that there was a rent abatement during that time, the Tenant remains responsible for tax bills which cover the period of time prior to September 1, 2011 and for those which cover the period of time after the termination of the rent abatement.

First, as you may be aware, the tax year for real property taxes does not run from January 1 through December 31. As stated on the face of the Real Property Tax Bill from the District of Columbia Office of Tax and Revenue ("OTR"), the 2012 tax year is "October 1, 2011 thru September 30, 2012." Thereafter, OTR issues two (2) tax bills per year – one for the first half (October thru March) and the second for the second half (April thru September).

In September, 2011, the Landlord received a tax bill for the 2011 Second Half Real Property Taxes in the amount of $13,845.31. This property tax bill covered the period from April 1, 2011 thru September 30, 2011 and the Landlord paid the entire property tax bill. The Tenant, therefore, is responsible for payment of 5/6 of that bill, or $11,537.76, which represents the time prior to the rent abatement's commencement. Accordingly, the Landlord is entitled to reimbursement for its payment of the tax bill and hereby demands payment in the amount of $11,537.76.

In September, 2011, the Landlord received a tax bill for the 2012 First Half Georgetown BID Taxes in the amount of $2,008.50. This BID tax bill covered the period from October 1, 2011 thru March 31, 2012 and the Landlord paid the entire BID tax bill. The Tenant's rent abatement was in effect during this period and the Landlord is not requesting any reimbursement from the Tenant.

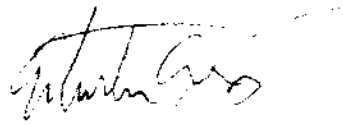
In March 2012, the Landlord received a tax bill for the 2012 First Half Real Property Taxes ($18,384.96) for the period October 1, 2011 thru March 31, 2012. On March 28, 2012, the Landlord remitted payment to OTR in full payment of this tax bill. As the Tenant's rent abatement ran from July 1, 2011 thru April 6, 2012 the Tenant is not responsible for payment of any portion of this tax bill and the Landlord is not requesting any reimbursement from the Tenant.

In March 2012, the Landlord received a tax bill for the 2012 Second Half Georgetown BID Taxes ($2,008.50) for the period April 1, 2012 thru September 30, 2012. On March 28, 2012, the Landlord remitted payment to OTR. As the Tenant's rent abatement ran from July 1, 2011 thru April 5, 2012 the Tenant is responsible for the payment this BID tax bill from April 6, 2012 thru September 30, 2012. Accordingly, the Landlord is entitled to reimbursement for its payment of the tax bill and hereby demands payment in the amount of $1,953.32.

To summarize, Tenant owes to Landlord $11,537.76 for property taxes and $1,953.32 for BID taxes and the Landlord hereby demands payment in the total amount of $13,491.08.

This Notice is without prejudice to any prior or subsequent notices issued by the Landlord, including, without limitation, the Notice of Default and Demand for Cure for Non-Monetary Breach dated March 30, 2012 and sent by the Landlord via Federal Express. The Landlord's acceptance of any payment pursuant to this Notice is subject to a reservation of any and all rights and remedies that the Landlord may have against the Tenant under the Lease, under any prior written notices that were sent, and under the law. The Landlord expressly reserves – and does not waive – any and all such rights and remedies.

Sincerely,



Matt Wexler

cc: Joshua M. Greenberg, Esq. (via email)
Richard W. Luchs, Esq. (via email)

EXHIBIT K

Express Customer's Package/Shipment

FOR IN STATION USE ONLY

☐ Package Researched Date:_____ Initial:_____

Comments:_____

☐ Address is correct/Recipient no longer at this address

☐ Incorrect recipient address/Incomplete recipient address

☐ Need apartment or suite number

☐ Recipient moved and left no forwarding address or phone number

☐ Not in / Business closed / Not authorized to leave shipment without a signature
☐ 1st Attempt ☐ 2nd Attempt ☐ 3rd Attempt

☐ Signature required, please contact shipper for disposition

☐ Holiday - Closed

UPDATE ALL INFORMATION AND POD INTO COSMOS**

REMOVE LABEL BEFORE DELIVERY

117465 M-0025 01/01 RRD

Attention!

THIS SHIPMENT IS BEING RETURNED FOR THE FOLLOWING REASON(S):

☑ Refused by recipient.
☑ Recipient moved and left no forwarding address or phone number.
☐ Recipient was not in when we attempted delivery and we were not authorized to leave shipment without a signature.
☐ Recipient's address on your shipment was incorrect and/or incomplete and we were unable to obtain the correct address.
☐ A Post Office box number was the only address given or obtainable.
☐ Unable to collect C.O.D. charges.
☐ Shipper requested return.
☐ Company policy does not allow us to keep an undeliverable shipment longer than 5 days.
☐ Other:

Questions? Call 1.800.Go.FedEx® 800.463.3339.

FedEx Express

Peel here

150386 REV 10/04 MWI

RT 449 ° C

FZ 9887 04.25

ORIGIN ID: BZSA

SHIP DATE: 24APR12
ACTWGT: 0.2 LB
CAD: /OFFC1302
DIMS: 0x0x0 IN

BILL SENDER

UNITED STATES US

TO J. UMBEL
PURE HOSPITITY ,LLC
3241 M ST NW

WASHINGTON DC 20007
(202) 309-5911

THU:
PO: REF:
DEPT:

FedEx Express

TRK# 0200 8000 6081 9887

THU - 26 APR A1
** 2DAY **

19 ZRZA

20007
DC-US DCA

Part # 156327-435 RRD 04/24 12:15

Th

Envelop

EXHIBIT L

On Thu, Feb 23, 2012 at 12:11 PM, Jonathan Umbel <jsumbel@comcast.net> wrote:

Marr , We request to paint the exterior of 3241 M street the same color that you have already approved for 3245 M Street Duron Slate Grey. We also request to change the awning that exists from Royal Blue to Black with a bandolero logo in the same general place where the hook logo was and the logo will be a rust color. If you have questions please ask me ASAP as Jim Surdam is ready to move on this . THanks

EXHIBIT M

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

April 30, 2012

VIA FEDERAL EXPRESS

Pure Hospitality, LLC t/a Hook
Attn.: Jonathan Umbel
3241 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Default and Demand for Cure for Non-Monetary Breach** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C. comprising approximately 5,092 square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

The Tenant is in default of its obligations under the Lease because the Tenant has painted the exterior of the Property without first obtaining the Landlord's prior written consent.

The Tenant is in breach of Section 9.02, entitled "Alterations," which states in pertinent part: "Tenant shall not make or cause to be made any alterations, additions, renovations, improvements or installations in or to the [Property] without Landlord's prior consent, which such consent may be granted or withheld in Landlord's sole and absolute discretion...." *See* Lease at Section 9.02, p. 13.

On February 23, 2012, you sent an email to me requesting permission "to paint the exterior of 3241 M Street the same color that you have already approved for 3245 M Street Duron Slate Grey." I responded to your email that same day nothing that this is "[f]ine subject to our larger agreement being in place." Despite the Tenant's reference to using a specific color, the color the Tenant painted the exterior of the Property is not Duron Slate Grey, but rather a much darker color that appears to be black.

This letter serves as written notice of the Tenant's default under the terms of the Lease. The Tenant has thirty (30) days to cure this default by restoring the exterior of the Property to the condition and color prior to the Tenant's unauthorized alteration. *See* Lease at Section 15.01, p. 19.

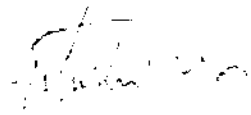
If the Tenant fails to cure the default as required in this Notice, then the Landlord will be entitled to exercise all rights and remedies available to it under the Lease and under applicable law, including, without limitation, the right to terminate the Lease and/or seek possession of the Property by filing a Complaint for Possession of Real Property with the Superior Court of the District of Columbia's Landlord and Tenant Branch.

The Lease obligates the Tenant to pay the Landlord's attorneys' fees. *See* Lease at Section 15.02.B.(iii), p. 19. The Landlord's legal expenses will only continue to increase until this matter is resolved. It is imperative that the Tenant cure the default so that the Landlord's legal expenses are kept to a minimum.

This Notice does not suspend or modify the Tenant's future obligations under the Lease. The Tenant remains responsible for paying all amounts which come due under the Lease and/or the Restoration Agreement and Lease Amendment after the date of this Notice, i.e., Rent (as that term is defined in the Lease) which will come due on May 1, 2012. This letter also serves as written notice to the Tenant that the acceptance by the Landlord of any partial payment or performance due under the Lease prior to the expiration of any applicable cure period, or after the exercise of any right or remedy that the Landlord may have, will be without prejudice to the rights and remedies of the Landlord under the Lease, at law and/or in equity. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Your prompt attention to this matter is anticipated. Thank you.

Sincerely yours,



Matt Wexler

cc: Joshua M. Greenberg, Esq.
Richard W. Luchs, Esq.

EXHIBIT N

FedEx Express

earthsmart
FedEx carbon-neutral envelope shipping

**UPDATE ONLY POD

RI 449 6 C
FZ 0095
05.01

REMOVE LABEL BEFORE DELIVERY
117465 M-0025 01/01 ARD

Peel here

Align top of FedEx Express® shipping label here.

ORIGIN ID: ZRZA

SHIP DATE: 30APR12
ACTWGT: 0.2 LB
CAD: /0FFC1302
DIMS: 0x0x0 IN

BILL SENDER

UNITED STATES US

TO J. UMBEL
PURE HOSPITALITY, LLC
3241 M ST NW

WASHINGTON DC 20007
(202) 309-6911
INV:
PO:
REF:
DEPT:

FedEx Express

TRK# 0200 8001 1610 0095

WED - 02 MAY A1
** 2DAY **

19 ZRZA

20007
DC-US DCA

EXHIBIT O

May 3, 2012

VIA PRIVATE PROCESS SERVER

Pure Hospitality, LLC t/a Hook
Attn.: Jonathan Umbel
3241 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Termination of Lease and Notice to Quit** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C., comprising approximately 5,092 square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality, LLC t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

Due to the failure of the Tenant to cure the breach in accordance with the Notice of Default and Demand for Cure dated March 30, 2012 (a copy of which is enclosed for your immediate reference) (the "Default Notice"), specifically the Tenant's failure to replenish the security deposit as required by Section 5.12 of the Lease, the Tenant's tenancy, occupancy and possession of the Property is hereby terminated.

As the Tenant did not cure the non-monetary default as required by the Default Notice and the Lease, the Landlord hereby informs the Tenant that it must quit and vacate the Property within 30 days. At such time, the Landlord will be entitled to exercise any remedies under the Lease and under District of Columbia law, including, but not limited to, the right to take such legal steps as are necessary to secure possession of the Property, including, without limitation, the right to file a Complaint for Possession of Real Property against the Tenant with the Landlord & Tenant Branch of the Superior Court of the District of Columbia.

This Notice does not suspend or modify the Tenant's future obligations under the Lease. The Tenant remains responsible for paying all amounts which come due under the Lease after the date of this Notice, i.e., Rent for May 2012. This letter also serves as written notice to the Tenant that the acceptance by the Landlord of any partial payment or performance due under the Lease prior to the expiration of any applicable cure period, or after the exercise of any right or remedy that the Landlord may have, will be without prejudice to the rights and remedies of the Landlord under the Lease, at law and/or in equity. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Finally, this Notice is without prejudice to any prior or subsequent notices issued by the Landlord, including, without limitation, the Notice of Default and Demand for Cure for Non-Monetary Breach dated April 25, 2012.

Thank you.

Sincerely yours,

Matthew Wexler

cc: Joshua M. Greenberg, Esq.
Richard W. Luchs, Esq.

EXHIBIT P

2441 BOND ST EQUITIES, LLC
C/O FOXHALL PARTNERS
2120 L STREET, NW SUITE 315
WASHINGTON, DC 20037

May 11, 2012

BY FEDERAL EXPRESS

Pure Hospitality, LLC t/a Hook
Attn.: Jonathan Umbel
3241 M Street, N.W.
Washington, D.C. 20007

Re:	**Return of PNC Bank Check No. 00139028; Reservation of Rights**
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C. comprising approximately 5,092 square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality, LLC t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

Enclosed with this letter please find PNC Bank check number 00139028 in the amount of $10,005.00 (the "Check") which bears a reference that it is for "Pure Hospitality LLC – Security Deposit." For the reasons set forth below, the Landlord is unwilling to accept the Check and returns the same to the Tenant.

On or about March 30, 2012, the Landlord issued a Notice of Default and Demand for Cure for Non-Monetary Breach (the "Default Notice"). Specifically, the Default Notice advised that the Tenant was in default under the Lease as it had failed to replenish the security deposit within ten (10) days (plus an additional five days based on the Tenant's refusal to take delivery) of a notification dated February 13, 2012. The Default Notice provided the Tenant with thirty (30) days to cure the default by replenishing the security deposit. The Tenant failed to do so.

At approximately 7:37 a.m. on Tuesday, May 8, 2012, the Tenant, through you as the Registered Agent, was served with a Notice of Termination and Notice to Quit (the "Termination

Notice").[1] The Termination Notice provided that as the Tenant had failed to cure the default as required by the Default Notice, the Lease was terminated and the Tenant was required to quit and vacate the Property within thirty (30) days.

Several hours after the Termination Notice was served, the Tenant, through Ms. Bethany Umbel, delivered the Check to the Landlord. Given the fact that the cure period provided in the Default Notice had run, the Lease had already been terminated by service of the Termination Notice and the Tenant expressly waived any and all rights of redemption and any and all rights to relief from forfeiture which would otherwise be granted or available to Tenant (*see* Lease at p. 20, Section 15.04.B.), the Landlord is unwilling to accept the Check and returns the same to the Tenant. The Landlord hereby reserves any rights that it may have against the Tenant under the Lease, under any prior written notices that were sent, including, without limitation, the Notice of Default and Demand for Cure for Non-Monetary Breach dated April 30, 2012, and under the law. The Landlord expressly reserves -- and does not waive -- any and all such rights and remedies. The Tenant remains liable to the Landlord for the payment of all damages arising out of the termination of the Lease.

Sincerely,

Matt Wexler

cc: Joshua M. Greenberg, Esq. (via email)
Richard W. Luchs, Esq. (via email)

[1] Service was accomplished by a private process server. Prior to personally serving you, as the Tenant's Registered Agent, the process server made multiple attempts to serve the Termination Notice at the Property (May 4, 2012, May 5, 2012, May 6, 2012 and May 7, 2012). Ultimately on May 7, 2012 at approximately 8:05 a.m., a copy of the Termination Notice was posted at the Property and a copy sent via First Class Mail, postage prepaid.

EXHIBIT Q

REMOVE LABEL BEFORE DELIVERY

117465 M-0025 01/01 RRD

0972
05.14

Peel here

449 1 C

0972
05.15

UNITED STATES US

LBS: 70FPC1302
DIMS: 0x0x0 IN

BILL SENDER

TO J. UMBEL
PURE HOSPITALITY, LLC
3241 M ST NW

14951185?

WASHINGTON DC 20007
(202) 309-5911

INV:
PO:
REF:
DEPT:

FedEx Express

TRK# 0200 8000 6082 0972

TUE - 15 MAY A1
** 2DAY **

19 ZRZA

20007
DC - US DCA

The V

FedEx Express

Attention Sender

THIS SHIPMENT IS BEING RETURNED FOR THE FOLLOWING REASON(S):

- ☐ Refused by recipient: _____
- ☐ Recipient moved and left no forwarding address or phone number.
- ☐ Recipient was not in when we attempted delivery, and we were not authorized to leave shipment without a signature
- ☐ Recipient's address on your shipment was incorrect and/or incomplete, and we were unable to obtain the correct address
- ☐ A P.O. box number was the only address given or obtainable.
- ☐ We were unable to collect C.O.D. charges.
- ☐ Shipper requested return: _____
- ☐ Shipment returned it undelivered after 5 days.
- ☐ Other: _____

Questions? Go to our Web site at fedex.com. Call 1.800.Go.FedEx 1.800.463.3339.

159398 REV 8/08 RRD

Align bottom of **Peel** here.

EXHIBIT R

EBA
1625 Union Avenue
Baltimore, MD 21211
410.662.6056
410.662.8111
www.ebaengineering.com

May 09, 2012

Jim Surdam, Regional Operations Director
Minkoff Company, Inc.
11716 Baltimore Avenue
Beltsville, Maryland 20705

Re: Inspection at
3241 M St. NW
Washington D.C

Gentlemen:

Per your request, EBA Engineering, Inc. performed a visual inspection of the above premises on May 9, 2012. The purpose of our inspection was to observe structural conditions at the premises as briefly described by an email dated May 07, 2012 and to comment on the need for structural repairs.

Our inspection was visual in nature and limited to structural elements not hidden by finishes and equipment. The following conditions were observed during our inspection:

An existing 5-1/4" wide by 11-7/8" deep laminated veneer lumber (LVL) beam (supporting wood roof joists), spanning approximately 11-1/2 feet had been notched 4" deep at the beam soffit to accommodate a new walk-in cooler unit. The length of the notch was determined to be approximately 7-foot 8-inches in length extending outward from one beam/masonry wall bearing.

Although no apparent defects were found to suggest imminent failure of the roof structure, it is our recommendation to sister a single LVL (1-3/4" wide by 7-1/4" deep) to the existing beam (per the attached sketch, SK-1) in order to maintain its intended load-carrying capacity.

Please do not hesitate to contact the undersigned should you have any questions regarding this matter.

Sincerely,

Mike Dominelli, P.E.
Senior Project Manager
EBA Engineering, Inc.

DISTRICT OF COLUMBIA
MICHAEL F. DOMINELLI, III
PE905182
CIVIL
PROFESSIONAL ENGINEER

Attachments: SK-1

General Notes

1. All work shall comply with the requirements of The District of Columbia, IBC 2012, and shall be subject to the highest industry standards.
2. At the time of investigation, documentation of existing conditions was limited to visually accessible areas only. If contractor has found that plans and details are in variance with what is physically in the field, he shall notify the engineer of owner before beginning any work.
3. All materials shall be new and of the best quality.

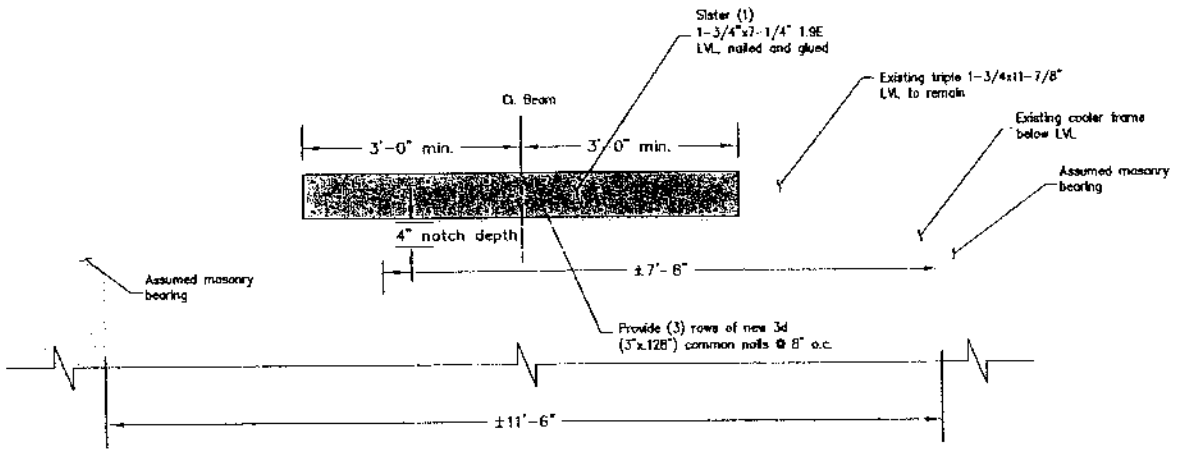
Property Information

3241 M St. NW Washington D.C.
SSL 1207 0098
Neighborhood. Georgetown
Map 19
Ward 2
Triennial Group 2

Owner:
2441 Bon Street Equities LLC Foxhall Partners
2120 L ST NW STE 215
Washington DC 20037-1547

Structural Design Criteria

IBC 2012
Design Snow load. 20 psf
Dead load: 20 psf
Roof Live Load:: 20 psf
Soil capacity 1 tsf
(assumed)
IBC Occupancy A-2
IBC Const. Type 3-B
Unsprinklered



Elevation of LVL Repair

N.T.S.

DISTRICT OF COLUMBIA
MICHAEL F. DOMINELLI
PE005182
CIVIL
PROFESSIONAL ENGINEER

EBA

LVL Beam Repair
at
3241 M St. NW
Washington D.C.

SK-1

EXHIBIT S

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

May 16, 2012

VIA FEDERAL EXPRESS

Pure Hospitality, LLC t/a Hook
Attn.: Jonathan Umbel
3241 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Default** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C. comprising approximately 5,092 square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality t/a Hook, a District of Columbia limited liability company

Dear Mr. Umbel:

The Tenant is in default of its obligations under the Lease because the Tenant has made numerous alterations to the Property without first obtaining the Landlord's prior written consent. As you are certainly aware, the Lease for the Property has been terminated by the Landlord as a result of the Tenant's failure to cure prior defaults within the time permitted by the Lease. Accordingly, the Landlord is not demanding that the Tenant "cure" these latest breaches, but merely is putting the Tenant on notice of the same.

The Tenant is in breach of Section 9.02, entitled "Alterations," which states in pertinent part: "Tenant shall not make or cause to be made any alterations, additions, renovations, improvements or installations in or to the [Property] without Landlord's prior consent, which such consent may be granted or withheld in Landlord's sole and absolute discretion...." *See* Lease at Section 9.02, p. 13. Further, the Tenant is in breach of Section 2 of the Restoration Agreement and Lease Amendment (the "Lease Amendment") dated February 28, 2012 as the Tenant, without even requesting the Landlord's permission, has made numerous deviations from the plans for the Tenant's Work (as defined in the Lease Amendment) prepared by Street Sense (the "Street Sense Plans"). Additionally, the Tenant is in breach of Section 5 of the Lease

Amendment as it has performed work that was not approved in advance by Minkoff & Company ("Minkoff"), the Landlord's and Tenant's contractor.

The Tenant's unauthorized alterations include, but are not limited to, the following:

1. The Landlord has been advised by Minkoff that the Tenant made a structural alteration in preparation for its installation of a new walk-in freezer (the "Freezer") in the Property despite the fact the Tenant did not obtain the Landlord's written consent and there is no indication for a new Freezer on the Street Sense Plans. The Landlord was also advised that Minkoff did not install the Freezer. Instead, the Tenant installed the Freezer and, without the Landlord's permission, removed approximately 40% of the structural member of the laminated wood roof support beam, which the Tenant cut lengthwise. After learning of this unauthorized alteration, the Landlord had EBA Engineering, Inc. ("EBA") perform an inspection of the impacted area of the Property on May 9, 2012. After the inspection, EBA recommended specific remedial work be done to "maintain [the roof's] intended load-bearing capacity." A copy of EBA's report detailing the remedial work (the "Work") is enclosed for your reference. As a result of this potentially dangerous situation, the Landlord hereby demands that the Tenant take the remedial action recommended by EBA within thirty (30) days by hiring a properly licensed and insured contractor to perform the Work. Once the Work is completed, the Landlord will have EBA return to the Property to conduct a follow-up inspection and verify the intended load-bearing capacity of the roof has been restored.

2. The Landlord has also been advised by Minkoff that the Tenant installed a hot water heater near the walk-in freezer. While the Landlord did provide verbal authorization for the installation of a new hot water heater at the Property, the Landlord has learned that the Tenant's contractor cut the newly installed wall panels to reroute the gas line. As the need for the rerouting of the gas lines was never brought to the Landlord's attention, nor did the Tenant request approval for the same, the Landlord will install new wall panels around the rerouted gas line and the Tenant will be held responsible for the costs of the same.

Furthermore, the Landlord insists that the Tenant not make any further alterations to any structural element of the Property.

Finally, this Notice is without prejudice to any prior or subsequent notices issued by the Landlord, including, without limitation, the Notice of Default and Demand for Cure for Monetary Breach dated April 30, 2012 and/or the Notice of Termination and Notice to Quit (personally served on you, as the Tenant's Registered Agent, on May 8, 2012 at approximately 7:37 a.m. and posted at the Property on May 7, 2012). The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Your prompt attention to this matter is anticipated. Thank you.

Sincerely yours,

Matt Wexler

cc: Joshua M. Greenberg, Esq.
Richard W. Luchs, Esq.

EXHIBIT T

Part # 156297-435 RITZ 01/12

ORIGIN ID: BZSA

SHIP DATE: 16MAY12
ACTWGT: 0.2 LB
CAD: 7061302
DIMS: 12X9X1 IN

BILL RECIPIENT

UNITED STATES US

TO J. UMBEL
PURE HOSPITALITY, LLC
3241 M ST. NW

WASHINGTON DC 20007

(202) 309-6011

DEPT:

FedEx Express

FRI - 18 MAY A1
** 2DAY **

TRK# 8000 9502 0221

20007
DC-US DCA

19 ZRZA

envelope shipping

Peel here

Align bottom of peel and stick airbill here.

EXHIBIT U

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
Inspection and Compliance Division
1100 4th Street, SW, 4th Floor
Washington, DC 20024

NOTICE OF VIOLATION AND NOTICE TO ABATE

ADDRESS OF VIOLATION	3241 M Street, NW Sq. 1207 Lot 98	CONTROL NUMBER	CIC1201507
BUSINESS NAME /Owner Mailing Address	3241 BOND STREET EQUITIES LLC FOXHALL PARTNERS, 2120 L ST., NW – SUITE 215; WASHINGTON, DC 20037 & C/O WEXFORD CAPITAL L.P., 411 WEST PUTNAM AVENUE; GREENWICH, CONNECTICUT 06830	TYPE OF INSPECTION	[X] CONSTRUCTION [] ELECTRICAL [] FIRE PROTECTION [] PLUMBING [X] OTHER – Historic Preservation
DATE OF INSPECTION	5-2-12	TIME OF INSPECTION	2:05 pm

An inspection of the	[X] Construction	[] Electrical	[] Fire Protection	[] Plumbing	[X] Other – Historic Preservation

Features at the above address were performed on the above date. The inspection revealed the violation(s) cited hereafter. The owners is required to abate the violation(s) by taking corrective action(s) specified below:

2008 CODE	VIOLATION	REQUIRED CORRECTIVE ACTION
12A DCMR 105.1, 105.1.4, 105.2.5	Work performed without a permit – new awning cover with signage in Georgetown historic district	File a permit application and four (4) sets of plans with specifications for the U.S. Commission of Fine Arts/Old Georgetown Board **by May 17th, 2012 to avoid $2,000 fine.**
12A DCMR 113.7	Illegal construction	Please feel free to visit the U.S. CFA website www.cfa.gov and if you have any questions, you may contact them at 202-504-2200 or by email at Georgetown@cfa.gov
12A DCMR 112.1	**APPEAL RIGHTS** Right to Appeal this Notice of Violation and Notice to Abate (See attachment)	

THE CITED VIOLATION (S) MUST BE ABATED AS ORDERED BY MAY 17TH, 2012. FAILURE TO COMPLY WILL RESULT IN THIS NOTICE BEING FORWARDED TO ENFORCEMENT FOR ACTION. FAILURE TO ABATE ANY OF THE VIOLATIONS CITED IN THIS NOTICE WITHIN THE TIMEFRAME PROVIDED WILL RESULT IN THE IMPOSITION OF A RE-INSPECTION FEE OF $90.00.

NAME OF PERSON NOTIFIED (Please Print)	CERTIFIED MAIL	DATE OF RECEIPT OF NOTICE	
SIGNATURE OF PERSON RECEIVING NOTICE		POSITION	
		TELEPHONE	
INSPECTOR (PRINT)	Keith Lambert	INSPECTORS TELEPHONE	442-8837
INSPECTORS BADGE #	430	TIME OF RECEIPT OF NOTICE	
DATE OF NOTICE	5-3-12		

TO REPORT WASTE, FRAUD OR ABUSE BY ANY D.C. GOVERNMENT OFFICE OR OFFICIAL, CALL THE INSPECTOR GENERAL AT 1-800-521-1639
ALL CALLS ARE CONFIDENTIAL.

FAILURE TO CORRECT VIOLATIONS

The Department of Consumer and Regulatory Affairs (DCRA) will conduct a re-inspection of the property on or around the time and/or date you are required to complete the corrections. If DCRA determines that you have failed to correct or abate the violation, this matter will be referred for correction under the authority of **D.C. Official Code § 42-3131.01(a)(2003)**. Please be advised that this statute provides, in pertinent part, as follows:

> "Whenever the owner of any real property in the District of Columbia shall fail or refuse, after the service of reasonable notice in the manner provided in **§ 42-3131.03** to correct any condition which exists on or has arisen from such property in violation of law or of any regulations made by authority of law, with the correction of which condition said owner is by law or by said regulation chargeable or to show cause, sufficient in the judgment of the Mayor of said District why he should not be required to correct such condition, then and in that instance, the Mayor of the District of Columbia is authorized to: Cause such condition to be corrected; assess the fair market value of the correction of the condition or the actual cost of the correction, whichever is higher, and all expenses incident thereto (including the cost of publication, if any, herein provided for) as a tax against the property on which such condition existed or from which such conditions arose as the case maybe; and carried such tax on the regular tax rolls of the District, and collect such tax in the same manner as general taxes in said District are collected; provided that the correction of any condition aforesaid by the Mayor of said District under authority of this section shall not relieve the owner of the property on which such condition existed, or from which such conditions arose, from criminal prosecution and punishment for having caused or allowed such unlawful condition to arise or for having failed or refused to correct the same."

You may request a hearing to show cause why you should not be required to correct these conditions (**see D.C. Official Code § 42-3131.01(a)(2003)**. In order to exercise your right to a hearing, you must request it in writing within ten (10) business days of your receipt of this Order. Your request may be mailed by first class U.S. Mail postage pre-paid, to the Office of Administrative Hearings, P.O. Box 77718, Washington, D.C. 20013-8713. Alternatively, you may hand-deliver your written request for a hearing to the Office of Administrative Hearings, 441 4th Street NW Suite 450 N, Washington, D.C. 20001 within ten (10) business days of your receipt of this notice

EXHIBIT V

GDL
GREENSTEIN DELORME & LUCHS, P.C.

1620 L STREET, N.W., SUITE 900
WASHINGTON, D.C. 20036-5605
tel (202) 452-1400 fax (202) 452-1410

www.gdllaw.com

May 17, 2012

VIA EMAIL

Stephen Hessler, Esq.
Hessler & Associates
729 Fifteenth Street, N.W.
Second Floor
Washington, D.C. 20005

Re:	**Notice of Violation and Notice to Abate from Department of Consumer and Regulatory Affairs**
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3241 M Street, N.W., in the Georgetown Area of Washington, D.C. comprising approximately 5,092 square feet of usable space including two floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	Pure Hospitality t/a Hook, a District of Columbia limited liability company

Dear Steve:

The Landlord received a copy of the enclosed Notice of Violation and Notice to Abate (the "Notice") from Department of Consumer and Regulatory Affairs ("DCRA"). The Notice identifies the Property as the location of the violation and identifies two (2) specific violations.

The first violation for which the Landlord has been cited is for work being performed without a permit related to the new awning cover with signage in the Georgetown historic district (12A DCMR 105.1, 105.1.4 and 105.2.5). As you may be aware, while the Tenant did previously obtain the Landlord's consent to install a new awning, it was the Tenant's responsibility to follow all applicable laws and regulations, including, without limitation, applying for permits and provide the requisite documentation.

The second violation for which the Landlord has been cited is for illegal construction (12A DCMR 113.7), ostensibly related to the installation of the new awning cover with signage.

We are providing this letter and the Notice to you based on your representation of the Tenant and the on-going litigation between the Landlord and the Tenant which has seemingly rendered direct communication between the parties impossible. As the basis of the violation stems from direct Tenant actions, the Landlord will hold the Tenant responsible for any and all damages incurred as a result of the Notice, including, without limitation, any civil fines, penalties or attorneys' fees the Landlord incurs. The Landlord requests that the Tenant take immediate action to have the violations address and the Notice rescinded, revoked or otherwise removed. We request that you either copy both Richard Luchs and I on any correspondence, or provide copies of any correspondence, between the Tenant (or its attorney and/or agents) and DCRA related to the Notice.

Furthermore, as you may be aware, the Tenant's ongoing work at the interior of the Property has caused damage to the Property, specifically, to work that was performed by the Landlord's contractors at the Landlord's expense. As is the case with the Notice, it is the Landlord's intent to hold the Tenant responsible for the damages, including the costs to have the same repaired to a condition satisfactory to the Landlord. As such, the Landlord insists that the Tenant not make any further alterations to any element of the Property.

Please do not hesitate to contact me should you have any questions or wish to discuss this matter further.

Sincerely yours,

Joshua M. Greenberg

Enclosure

cc: Mr. Matt Wexler/Mr. Michael Miller (via email)
Richard W. Luchs, Esq.

EXHIBIT W

FP DC Management, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037
Phone: 202-391-0700

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

February 13, 2012

GBP, LLC
Attn: Jonathan S. Umbel
3245 M Street, NW 3rd Floor
Washington, DC 20007

Re: **Notice - GBP, LLC lease with 2441 Bond St Equities, LLC for premises located at 3241 M Street and 3245 M Street, NW, Washington D.C.**

Dear Mr. Umbel:

The undersigned, FP DC Management, LLC, is the manager ("Manager") of the buildings located at 3241 M Street and 3245 M Street, NW, Washington D.C. (the "Premises") for 2441 Bond St Equities, LLC ("Landlord"). In this regard, reference is made to that certain lease dated September 28, 2010 (the "Lease") between Landlord and GBP, LLC ("Tenant").

Tenant has not paid Rent owed to Landlord due February 1, 2012. Landlord will now assess the Tenant a 5% late fee, per Section 5.01 (B) of the Lease. Tenant now owes Landlord $22,122.38 in Rent.

Per Section 5.12 of the Lease, Landlord has removed all of the remaining funds, $18,993.29, from Tenant's security deposit (through an account held at Sandy Spring Bank) to pay previously invoiced Rent, Taxes (both as defined in the Lease) and other charges owed to Landlord or due under the Lease. The combined current security deposit balance for Tenant and PURE Hospitality, LLC is now $0.

Following the depletion of Tenant's security deposit, Tenant now owes Landlord $3,129.09.

By sending this Notice, Landlord reserves all rights under the Leases.

Nothing in this letter is intended to waive any of Landlord's rights, remedies and powers against Tenant or any guarantor under the Lease, or to otherwise waive any default thereunder by Tenant, whether specified above or otherwise, and Landlord expressly reserves all of its remedies, rights and powers against Tenant or any Lease guarantor.

EXHIBIT X

2441 BOND ST EQUITIES, LLC
c/o FOXHALL PARTNERS
Gelman Building
120 L St. NW Suite 3

7011 2970 0000 5317 3866

UNITED STATES POSTAL SERVICE

1000

20007

U.S. POSTAGE
PAID
WASHINGTON, DC
20036
FEB 13, '12
AMOUNT

$4.05
00085345-13

Refused
2/14

SBP, LLC
c/o Jonathan Hubel
3245 M St NW 3rd Floor
Washington, DC 20007

EXHIBIT Y

GDL
GREENSTEIN DELORME & LUCHS, P.C.

1620 L STREET, N.W., SUITE 900
WASHINGTON, D.C. 20036-5605
tel (202) 452-1400 fax (202) 452-1410

www.gdllaw.com

JOSHUA M. GREENBERG, ESQ
JMG@GDLLAW.COM

March 1, 2012

VIA PRIVATE PROCESS SERVER

GBP, LLC t/a Tackle Box
Attn.: Jonathan Umbel
3245 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Termination of Lease and Notice to Quit** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3245 M Street, N.W., in the Georgetown Area of Washington, D.C., including three floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	GBP, LLC t/a Tackle Box, a District of Columbia limited liability company

Dear Mr. Umbel:

As you are aware, this law firm represents the Landlord in connection with the above-referenced Lease. Due to the failure of the Tenant to cure the breach in accordance with the Notice of Default and Demand for Cure dated February 13, 2012 (a copy of which is enclosed for your immediate reference) (the "Default Notice"), specifically the Tenant's failure to tender to the Landlord the then outstanding amounts of Rent (as that term is defined in the Lease) as of February 13, 2012, the Tenant's tenancy, occupancy and possession of the Property is hereby terminated.

As the Tenant did not cure the monetary default as required by the Default Notice and the Lease, the Landlord hereby informs the Tenant that it must quit and vacate the Property within 30 days. At such time, the Landlord will be entitled to exercise any remedies under the Lease and under District of Columbia law, including, but not limited to, the right to take such legal steps as are necessary to secure possession of the Property and payment of the past due balance, including, without limitation, the right to file a Complaint for Possession of Real Property

against the Tenant with the Landlord & Tenant Branch of the Superior Court of the District of Columbia.

This Notice does not suspend or modify the Tenant's future obligations under the Lease. The Tenant remains responsible for paying all amounts which come due under the Lease after the date of this Notice, i.e., Rent which comes due on March 1, 2012. This letter also serves as written notice to the Tenant that the acceptance by the Landlord of any partial payment or performance due under the Lease prior to the expiration of any applicable cure period, or after the exercise of any right or remedy that the Landlord may have, will be without prejudice to the rights and remedies of the Landlord under the Lease, at law and/or in equity. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Your prompt attention to this matter is anticipated. Thank you.

Sincerely yours,

Joshua M. Greenberg

cc: Mr. Matt Wexler (via email)
Mr. Michael Miller (via email)
Richard W. Luchs, Esq.

FP DC Management, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037
Phone: 202-391-0700

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

February 13, 2012

GBP, LLC
Attn: Jonathan S. Umbel
3245 M Street, NW 3rd Floor
Washington, DC 20007

Re: **Notice - GBP, LLC lease with 2441 Bond St Equities, LLC for premises located at 3241 M Street and 3245 M Street, NW, Washington D.C.**

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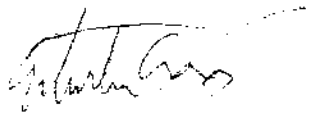
Per Section 5.12 of the Lease, Landlord has removed all of the remaining funds, $18,993.29, from Tenant's security deposit (through an account held at Sandy Spring Bank) to pay previously invoiced Rent, Taxes (both as defined in the Lease) and other charges owed to Landlord or due under the Lease. The combined current security deposit balance for Tenant and PURE Hospitality, LLC is now $0.

Following the depletion of Tenant's security deposit, Tenant now owes Landlord $3,129.09.

By sending this Notice, Landlord reserves all rights under the Leases.

Nothing in this letter is intended to waive any of Landlord's rights, remedies and powers against Tenant or any guarantor under the Lease, or to otherwise waive any default thereunder by Tenant, whether specified above or otherwise, and Landlord expressly reserves all of its remedies, rights and powers against Tenant or any Lease guarantor.

Sincerely,



Matt Wexler
FP DC Management, LLC

Attachments:

1. February 2012 rental invoice
2. Current rental invoice February 13, 2012

2441 Bond St Equities, LLC 1/26/2012

February 2012 invoice to GBP, LLC

SENT VIA EMAIL

GBP, LLC January 2012 rent	$17,166.67
GBP, LLC January 2012 administrative & accounting fee	$416.67
DC real estate taxes (1/6 of amount due September 2011)	$2,405.22
Georgetown Business Improvement Taxes (1/6 of amount due September 2011)	$257.50
Property insurance (1/2 of November 2011 invoice)	$822.88
Previously invoiced and owed	
Owed to 2441 Bond St Equities, LLC	$21,068.93
Funded through Tenant's Security Deposit	($21,068.93)
Current balance owed to 2441 Bond St Equities, LLC	$21,068.93
Current Security Deposit balance	$19,245.28

Please remit to:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

2441 Bond St Equities, LLC 2/13/2012

February 2012 invoice to GBP, LLC

SENT VIA EMAIL

GBP, LLC January 2012 rent	$17,166.67
GBP, LLC January 2012 administrative & accounting fee	$416.67
DC real estate taxes (1/6 of amount due September 2011)	$2,405.22
Georgetown Business Improvement Taxes (1/6 of amount due September 2011)	$257.50
Property insurance (1/2 of November 2011 invoice)	$822.88
Late fee (5% of above total)	$1,053.45
Current balance owed to 2441 Bond St Equities, LLC	$22,122.38
Security Deposit balance as of February 12, 2012	$18,993.29
Rent funded through Security Deposit	($18,993.29)
Rent owed to Landord	$3,129.09

Please remit to:

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

EXHIBIT Z

AFFIDAVIT OF SERVICE

DISTRICT OF COLUMBIA, ss:

I, Daniel Portnoy, a Private Process Server, being first duly sworn under oath, deposes and says, I have been duly authorized to make service of the documents listed herein, I am over eighteen (18) years of age and am not a party to, or otherwise interested in this matter.

DOCUMENT(S) SERVED: Notice of Termination of Lease/Notice to Quit

SERVE TO: GBP, LLC t/a Tackle Box c/o Jonathan Umbel

SERVICE ADDRESS: 6600 32nd Place, N.W., Washington, D.C. 20015

DATE SERVED: March 3, 2012 TIME SERVED: 8:54 p.m.

PERSON SERVED: Jonathan Umbel was personally served with the Notice of Termination of Lease/Notice to Quit. Mr. Umbel is an approximately 45 year old, white male, wearing glasses, approximately 5'11" tall and weighing approximately 195 pounds. I asked the individual if he was Jonathan Umbel, to which he responded affirmatively. Thereafter, I handed the Notice of Termination of Lease/Notice to Quit to Mr. Umbel.

I do solemnly declare and affirm under penalty of perjury that the information set forth herein is correct to the best of my knowledge, information and belief.

Daniel Portnoy

Subscribed and sworn to before me on this 6th day of March, 2012

Notary Public, D.C.

JULIEN H. NAM
A NOTARY PUBLIC OF DISTRICT OF COLUMBIA
MY COMMISSION EXPIRES JULY 14, 2015

My Commission Expires: _____

EXHIBIT AA

GDL
GREENSTEIN DELORME & LUCHS, P.C.

1620 L STREET, N.W., SUITE 900
WASHINGTON, D.C. 20036-5605
tel (202) 452-1400 fax (202) 452-1410

www.gdllaw.com

Joshua M. Greenberg
jmg@gdllaw.com

June 29, 2012

VIA EMAIL
HARD COPY VIA
FIRST CLASS MAIL

Stephen Hessler, Esq.
Hessler and Associates
729 Fifteenth Street, N.W.
Second Floor
Washington, D.C. 20005

Re: 2441 Bond St Equities, LLC v. Pure Hospitality t/a Hook
3241 M Street, NW, Washington, D.C. 20007 (the "Pure Property")
2441 Bond St Equities, LLC v. GBP, LLC t/a Tackle Box
3245 M Street, NW, Washington, D.C. 20007 (the "GBP Property")
Notice of Violation from D.C.; Notice of Unpaid Invoice from DC WASA; Final Plans; Outstanding Rent

Dear Steve:

Please allow this letter to address a variety of issues which pertain to your clients, GBP, LLC t/a Tackle Box ("GBP") and Pure Hospitality, LLC t/a Hook ("Hook") (collectively, the "Restaurants"). As you are aware, the relationship between the Restaurants' representatives and representatives of 2441 Bond St Equities, LLC (the "Landlord"), has deteriorated over the past year and can currently be described as acrimonious at best.

Given the fact that the Restaurants have consistently refused to accept written communications sent to them by the Landlord as required by the respective leases (we have at least 9 Federal Express packages which were returned, unopened, to the Landlord after the Restaurants refused delivery), we felt that a variety of issues should be brought to your attention so that you could convey the same to the Restaurants for some type of action and/or response. I

have brought some of these issues to your attention previously, and even indicated that it appeared that the Restaurants were not providing you with accurate information. The Landlord requests that you discuss these issues with the Restaurants and take the requisite action.

Notice of Violation from Government of the District of Columbia

Enclosed please find a copy of Notice of Violation No. K508004 (the "Notice") issued to "2441 Bond Street Equities LLC Faxhall Partners" with respect to an alleged violation of D.C. Code §8-902 occurring at the GBP Property, described as the "Illegal Dumping of Waste From Private Property to Private Property." *See Notice.* Accompanying the Notice were three (3) pages of photos and four (4) pages of eye witness statements provided to the District of Columbia (the "District") and which detail the fact that it is GBP's employees who are the cause. As you will see from the Notice and accompanying documents, it is beyond dispute that GBP, through the actions of its own employees, is responsible for the illegal dumping of cooking oil and/or grease outside the GBP Property, failing to maintain the alleyway in a clean and sanitary condition and a rodent problem, all resulting in a nuisance and health hazard. *See Notice.*

The Notice indicates that a fine of $500.00 has been assessed against the Landlord and that abatement of this condition, described in the Notice, is required. Please be advised that the Landlord will be sending a written response to the Notice denying responsibility and requesting a hearing before the Office of Administrative Hearings where the Landlord will request that the Notice and fine be rescinded and that GBP be held responsible for the condition that it has created.

Additionally, the Landlord further demands that GBP immediately take the required abatement action (described in detail in the "Inspector Notes" section of the Notice). In the event that the Landlord is required to pay the fine or should it be required to undertake the abatement action, it will look to GBP for reimbursement for any and all costs incurred.

Outstanding Water Bill and Notice of Prohibited Discharge Violation

First, the Landlord has recently received a "Friendly Reminder Notice" (the "Reminder Notice") from the DC Water and Sewer Authority ("DC WASA") regarding an outstanding bill for service provided to the Pure Property in the amount of $4,600.50. A copy of the Reminder Notice is enclosed for your reference. Please have your client make arrangements to remit payment in the appropriate amount, as the Restaurants are responsible for water service to the respective property. Should Pure fail to pay the balance due, the Landlord will not be held responsible for DC WASA's discontinuance of service to the Pure Property or any loss of

revenue incurred by Pure. The Landlord will hold Pure responsible for any fines, penalties or costs associated with restoration of service if the Landlord is assessed with the same.

Second, the Landlord recently received a copy of a Notice of Warning for Suspected Prohibited Discharge Violation (the "Warning") pertaining to the GBP Property. The Landlord has been advised that the original Warning was hand delivered to GBP shortly after June 14, 2012. A copy of the Warning has been enclosed for your reference. The Warning alleges that on June 14, 2012, DC WASA investigated a partially or completely blocked sewer line and that this is suspected to be related to improper disposal of grease. As the Warning was issued to GBP, the Landlord demands that GBP take all required action to resolve this notice. In the event that the Landlord is fined or otherwise cited by DC WASA or another government agency regarding this issue, it will look to GBP for reimbursement of any costs incurred. As was the case with the Notice, it is beyond dispute that the Landlord has no connection with any prohibited discharge at the GBP Property.

Exterior Color of Pure Property

In early May, 2012, Pure was advised by the Landlord that it had painted the exterior of the Pure Property in a color that had not been approved by the Landlord. Notwithstanding the fact that the lease for the Pure Property has been terminated, Pure has taken no action, and in fact, has not responded to the Landlord in any fashion.

Breach of Restoration Agreement

In February, 2012, the Landlord and Pure Hospitality entered into a Restoration Agreement and Lease Amendment (the "Agreement") to resolve an ongoing dispute regarding both the Landlord's and Pure's rehabilitation and renovation work at the Pure Property. Paragraph 8 of the Agreement provides that Pure, at its own cost and expense, would provide the Landlord with "as built" plans for the "Tenant's Work" (as that term is defined in the Agreement) within thirty (30) days of completion of the Work (as that term is defined in the Agreement). A copy of the Agreement is enclosed for your reference. At no point since the Work has been completed has Pure provided the Landlord with the required "as built" plans. Considering the Pure Property passed final inspection on May 22, 2012, the thirty (30) days have come and gone. Please advise as to when the Landlord can expect to receive the "as built" plans.

Outstanding Rent

As you may be aware, in early June, Ms. Bethany Umbel delivered two (2) envelopes to my office. The first contained the agreed upon Protective Order payments in connection with the GBP Landlord and Tenant case. The second envelope contained a check dated May 15, 2012 in the amount of $17,166.67 with an indication that it is for "May Rent" (the "May Check"). Accompanying the check is a typed note dated May 15, 2012, stating that this is the Pure "rent check for the second time."

Additionally, last week, the Landlord received three (3) checks from Pure (collectively, the "June Checks"). The first was in the amount of $17,166.67 and states "Rent Payment." The second is in the amount of $416.67 and states it is for "Admin fee portion of the rent." The third is in the amount of $274.29 and states it is for "Property insurance portion of the rent."

Neither the May Check nor the June Checks have been deposited by the Landlord, nor is it the Landlords intention to do the same absent an agreement that preserves the Landlord's rights under the various default notices, termination notices, its claims in the currently pending Landlord & Tenant litigation, or its defenses (and any counterclaims it may have) in the currently pending Civil Action filed by Pure and GBP.

Should Pure be willing to enter into an agreement allowing the Landlord to accept rent, we can prepare the same, and both the May Check and the June Checks will be accepted and deposited. If this is not agreed, we will make arrangements to have the May Check and the June Checks returned to your attention.

Finally, as you are also aware, Pure has accrued a significant arrearage, both pre- and post-lease termination for rent (pre-) and damages (post-). As of June 28, 2012, the balance on the account is $86,438.94 ("Arrearage"). This will increase by an additional $17,857.63 in damages as of July 1, 2012. Obviously, if Pure agrees to the above-referenced Protective Order, the Arrearage will be reduced by $35,024.30 leaving a balance of $51,414.64 (not including the July damages).

Awning at Pure Property

On May 17, 2012, we provided you with a copy of a Department of Consumer and Regulatory Affairs Notice of Violation and Notice to Abate (the "DCRA Notice") which identified the Pure Property as the location of the violation and identified two (2) specific violations.

The first violation was for unpermitted work related to the new awning cover with signage in the Georgetown historic district (12A DCMR 105.1, 105.1.4 and 105.2.5). As stated in our prior correspondence, it is Pure's responsibility to follow all applicable laws and regulations, including, without limitation, applying for, and obtaining, necessary approvals and/or permits.

The second violation for which the Landlord has been cited is for illegal construction (12A DCMR 113.7), ostensibly related to the installation of the new awning cover with signage.

The Landlord requested that Pure take the required action to remedy the situation and cause the DCRA Notice to be rescinded, revoked or otherwise removed, and that you either copy this office on any correspondence, or provide copies of any correspondence to this office, between Pure and DCRA with respect to the DCRA Notice. To date we have not received any correspondence whatsoever. As the basis of the DCRA Notice arises directly from Pure's actions, the Landlord will hold Pure responsible for any and all damages incurred as a result of the DCRA Notice, including, without limitation, any civil fines, penalties or attorneys' fees the Landlord incurs.

Unauthorized Alterations to Pure Property

In May of this year, the Landlord advised Pure that it had undertaken a series of alterations to the Pure Property without first obtaining the Landlord's permission. A copy of the May 16, 2012 letter from the Landlord to Pure, along with the attachments to that letter, is enclosed for your reference.

Of paramount importance to the Landlord is the alteration which has resulted in a potential structural issue at the Pure Property. Specifically, the Landlord's contractor, Minkoff Company, observed that Pure, in preparation for its installation of a new walk-in freezer (the "Freezer") in the Pure Property, removed approximately 40% of the structural member of the laminated wood roof support beam, which was cut by Pure (or its own contractor) lengthwise. As detailed in the May 16, 2012 letter, on May 9, 2012, the Landlord had EBA Engineering, Inc. ("EBA") perform an inspection of the impacted area of the Pure Property on May 9, 2012. After the inspection, EBA recommended specific remedial work be done to "maintain [the roof's] intended load-bearing capacity."

As a result of EBA's report regarding a potentially dangerous situation, the Landlord requested that Pure take the remedial action recommended by EBA. The Landlord has not heard anything from Pure, and assumes that this issue remains uncorrected. The Landlord will not sit

by idly as Pure deliberately impacts, in a negative fashion, the structural integrity of the Pure Property. The Landlord will take any and all action required to have this issue resolved immediately and will hold Pure responsible for any and all costs incurred. Pure had the opportunity to resolve this over a month ago, but instead of acting in a reasonable fashion, chose to ignore the request hoping the situation would go away. This is not the case.

In addition to the structural issue, the Landlord also learned that Pure installed a hot water heater near the walk-in freezer. While the Landlord did provide verbal authorization for the installation of a new hot water heater at the Pure Property, Pure's contractor cut the newly installed wall panels to reroute the gas line. As the need for the rerouting of the gas lines was never brought to the Landlord's attention, nor did Pure request approval to do such work, the Landlord was required to install new wall panels around the rerouted gas line and will hold Pure responsible for the costs of the same.

Ownership of Pure Hospitality, LLC

It is clear that Pure has changed the concept of the business that is operating out of the Pure Property, and that "Hook" has been replaced by "Bandolero." Without waiving any issues regarding the change in concept from seafood to "modern Mexican," the Landlord would like to clarify the role that Mike Isabella has with Pure. Articles in the Washington Post and Washington City Paper, as well as the Bandolero website (www. bandolerodc.com) contain references to Mr. Isabella as the "Chef/Partner" or partner in Pure. We request confirmation of Mr. Isabella's role in Pure, especially considering that on March 29, 2012, Pure registered "Bandolero" as its new trade name.

Potential for Resolution

As you and I have previously discussed, there is an opportunity for both sides to discuss the various issues and to work towards the possibility of an amicable resolution. Given the fact that we are going to postpone the Initial Return Date in the Pure Landlord & Tenant case because of conflicts on our calendars, we suggest that we use the time between now and the Initial Scheduling Conference in the Civil Action to hold a settlement meeting. While the Landlord is prepared to vigorously prosecute the two Landlord & Tenant cases and to defend against the claims asserted in the Civil Action, it would seem that the two sides' resources would be better spent working on reaching a resolution and not the various pieces of litigation that are pending.

Reservation of Rights

Out of an abundance of caution, the Landlord hereby advises that this letter is without prejudice to (i) any prior or subsequent notices issued by the Landlord to either of the Restaurants, including, without limitation, the Notice of Termination and Notice to Quit to Pure and Notice of Termination and Notice to Quit to GBP; (ii) the Landlord's position/claims in any currently pending lawsuits, including, without limitation the Landlord & Tenant case against Pure and the Landlord & Tenant case against GBP; (iii) the Landlord's claims and defenses in the currently pending Civil Action initiated by the Restaurants (and Mr. and Mrs. Jonathan Umbel individually); and (iv) and claims and/or defenses that the Landlord may have against either of the Restaurants in any future lawsuits. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Nothing in this letter is intended to create new tenancies for the Restaurants or otherwise revive the previously terminated leases.

We look forward to discussing this matter with you after you have had a chance to review this with your clients.

Sincerely,

Joshua M. Greenberg

JMG:

cc: 2441 Bond St Equities, LLC
Richard W. Luchs, Esq.

EXHIBIT BB

2441 BOND ST EQUITIES, LLC
C/O FOXHALL PARTNERS
2120 L STREET, NW SUITE 315
WASHINGTON, DC 20037

April 18, 2012

VIA PRIVATE PROCESS SERVER

GBP, LLC t/a Tackle Box
Attn.: Jonathan Umbel
3245 M Street, N.W.
Washington, D.C. 20007

Re:	**Notice of Termination of Lease and Notice to Quit** (the "Notice")
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and the building situated thereon commonly referred to as 3245 M Street, N.W., in the Georgetown Area of Washington, D.C., including three floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	GBP, LLC t/a Tackle Box, a District of Columbia limited liability company

Dear Mr. Umbel:

Due to the failure of the Tenant to cure the breach in accordance with the Notice of Default and Demand for Cure dated March 6, 2012 (a copy of which is enclosed for your immediate reference) (the "Default Notice"), specifically the Tenant's failure to (a) provide the Landlord with a copy of the service and maintenance contract for the HVAC equipment and system; (b) provide the Landlord proof of routine inspections of the HVAC equipment and system; (c) provide the Landlord with proof that the Tenant has a "bi-monthly" cleaning program for the grease trap; (d) provide the Landlord with a copy of the contract for both the grease trap cleaning and extermination, the Tenant's tenancy, occupancy and possession of the Property is hereby terminated.

As the Tenant did not cure the above-listed non-monetary defaults as required by the Default Notice and the Lease, the Landlord hereby informs the Tenant that it must quit and vacate the Property within 30 days from receipt of this Notice. At such time, the Landlord will be entitled to exercise any remedies under the Lease and under District of Columbia law, including, but not limited to, the right to take such legal steps as are necessary to secure possession of the Property, including, without limitation, the right to file a Complaint for

Possession of Real Property against the Tenant with the Landlord & Tenant Branch of the Superior Court of the District of Columbia.

This Notice does not suspend or modify the Tenant's future obligations under the Lease. The Tenant remains responsible for paying all amounts which come due under the Lease after the date of this Notice, i.e., Rent which comes due on May 1, 2012. This letter also serves as written notice to the Tenant that the acceptance by the Landlord of any partial payment or performance due under the Lease prior to the expiration of any applicable cure period, or after the exercise of any right or remedy that the Landlord may have, will be without prejudice to the rights and remedies of the Landlord under the Lease, at law and/or in equity. The Landlord hereby reserves, and does not waive, any and all such rights and remedies. Indeed, no payment or performance from the Tenant subsequent to the expiration of any applicable cure period shall have the effect of reviving the existing Lease, if they are terminated, or creating any new tenancy.

Finally, this Notice is without prejudice to any prior or subsequent notices issued by the Landlord, including, without limitation, the Notice of Default and Demand for Cure for Monetary Breach dated February 13, 2012 and the Notice of Termination and Notice to Quit dated March 1, 2012 (personally served on you, as the Tenant's Registered Agent, on March 3, 2012), or any action that the Landlord has previously initiated in the Superior Court of the District of Columbia, including, without limitation, *2441 Bond St Equities, LLC v. GBP, LLC t/a Tackle Box,* 2012 LTB 9769.

Your prompt attention to this matter is anticipated. Thank you.

Sincerely,

Matt Wexler

cc: Joshua M. Greenberg, Esq. (via email)
Richard W. Luchs, Esq. (via email)

EXHIBIT CC

AFFIDAVIT OF SERVICE

DISTRICT OF COLUMBIA, ss:

I, Daniel Portnoy, a Private Process Server, being first duly sworn under oath, deposes and says. I have been duly authorized to make service of the documents listed herein, I am over eighteen (18) years of age and am not a party to, or otherwise interested in this matter.

DOCUMENT(S) SERVED: Notice of Termination of Lease/Notice to Quit

SERVE TO: GBP, LLC t/a Tackle Box c/o Jonathan Umbel

SERVICE ADDRESS: 3241 M Street, N.W., Washington, D.C. 20007

DATE SERVED: April 24, 2012 TIME SERVED: 1:31 p.m.

PERSON SERVED: Jonathan Umbel was personally served with the Notice of Termination of Lease/Notice to Quit. Mr. Umbel is an approximately 45 year old, white male, wearing glasses, approximately 5'11" tall and weighing approximately 195 pounds. I recognized Mr. Umbel as I had previously served him with other documents (at which time I asked the individual if he was Jonathan Umbel and received an affirmative response). Mr. Umbel appeared to be supervising some construction work at 3241 M Street, N.W. At this time, I handed the Notice of Termination of Lease/Notice to Quit to Mr. Umbel.

I do solemnly declare and affirm under penalty of perjury that the information set forth herein is correct to the best of my knowledge, information and belief.

Daniel Portnoy

Subscribed and sworn to before me on this 2nd day of May, 2012

Notary Public, D.C.

JULIEN H. NAM
A NOTARY PUBLIC OF DISTRICT OF COLUMBIA
MY COMMISSION EXPIRES JULY 14, 2015

My Commission Expires: _____

EXHIBIT DD

2441 Bond St Equities, LLC
c/o Foxhall Partners
2120 L Street, NW Suite 315
Washington, DC 20037

April 24, 2012

BY EMAIL
BY FEDERAL EXPRESS

GBP, LLC t/a Tackle Box
Attn: Jonathan Umbel
3245 M Street, N.W.
Washington, D.C. 20007

Re:	**Tax Bills; Demand for Payment and Rent Abatement**
Lease:	Lease dated September 28, 2010 (the "Lease") for the real property and building situated thereon commonly referred to as 3245 M Street, N.W., in the Georgetown Area of Washington, D.C., including three floors above grade and a basement (the "Property")
Landlord:	2441 Bond St Equities, LLC, a Delaware limited liability company
Tenant:	GBP, LLC t/a Tackle Box, a District of Columbia limited liability company

Dear Mr. Umbel:

This letter responds to your email correspondence regarding the tax bills that are due and owing by the Tenant to the Landlord. The Tenant's claim that its rent abatement obviates its responsibility for reimbursing the Landlord for the tax bills which the Landlord paid is incorrect.

First, as you may be aware, the tax year for real property taxes does not run from January 1 through December 31. As stated on the face of the Real Property Tax Bill from the District of Columbia Office of Tax and Revenue ("OTR"), the 2012 tax year is "October 1, 2011 thru September 30, 2012." Thereafter, OTR issues two (2) tax bills per year – one for the first half (October thru March) and the second for the second half (April thru September).

In September, 2011, the Landlord received a tax bill for the 2011 Second Half Real Property Taxes in the amount of $13,431.33. This property tax bill covered the period from April 1, 2011 thru September 30, 2011 and the Landlord paid the entire property tax bill. In September, 2011, the Landlord received a tax bill for the 2012 First Half Georgetown BID Taxes

in the amount of $1,545.00. This tax bill covered the period from October 1, 2011 thru March 31, 2012 and the Landlord paid the entire tax bill.

While it is correct that the Tenant's rent abatement commenced on July 1, 2011, the Tenant remains responsible for 50% of the property tax bill for that period (which was prior to the termination of the Lease). Specifically, the Tenant is responsible for reimbursing the Landlord for the portion of the tax bill which pre-dated the rent abatement - April, May and June 2011. As the Landlord is entitled to reimbursement for its payment of the tax bills, the Landlord hereby demands payment in the amount of $6,715.67.

Furthermore, as the Tenant's rent abatement ended on November 30, 2011, the Tenant is responsible for 66.667% of the Georgetown BID taxes for that period. As the Landlord is entitled to reimbursement for its payment of the tax bills, the Landlord hereby demands payment in the amount of $1,030.00, 5/6 of which was prior to termination of the Lease and the remaining 1/6 as damages incurred by the Landlord after the termination of the Lease.

In March 2012, the Landlord received a tax bill for the 2012 First Half Real Property Taxes ($17,053.41). On March 28, 2012, the Landlord remitted payment to OTR. This property tax bill covered the period from October 1, 2011 thru March 31, 2012 and the Landlord paid the entire property tax bill. The Tenant is responsible for reimbursing the Landlord for the portion of the tax bill which post-dated the rent abatement – December 2011 thru March 2012. As the Landlord is entitled to reimbursement for its payment of the tax bills, the Landlord hereby demands payment in the amount of $11,368.94, of which ¾ was prior to termination of the Lease and the remaining ¼ as damages incurred by the Landlord after the termination of the Lease.

Additionally, in March, 2012, the Landlord received a tax bill for the 2012 Second Half Georgetown BID Taxes in the amount of $1,545.00. This tax bill covered the period from April 1, 2012 thru September 30, 2012 and the Landlord paid the entire tax bill. As the Lease had been terminated as of March 1, 2012, the Landlord demands payment from the Tenant in the amount of $1,545.00 as damages resulting from the termination of the Lease.

To summarize, Tenant owes to Landlord $18,084.61 for property taxes and $2,575.00 for BID taxes. Through payment of Rent and through its Security Deposit, Tenant funded to Landlord and Landlord deposited $7,215.66 during the months of December 2011, January 2012 and February 2012 for property taxes. Similarly, through payment of Rent and through its Security Deposit, Tenant funded to Landlord and Landlord deposited $772.50 during the months of December 2011, January 2012 and February 2012 for BID taxes. The Tenant's net amounts owed to Landlord are, thus, $10,868.95 for property taxes and $1,802.50 for BID taxes. The Landlord hereby demands payment in the amount of $12,671.45.

As the Lease was terminated by the Landlord on March 1, 2012 (the "Termination Notice") and the Tenant was required to quit and vacate within 30 days of service of the Termination Notice. As a result of the Tenant's failure to quit and vacate as required, the Landlord has incurred damages and the Tenant has been invoiced for those damages, which include, *inter alia,* the real estate taxes assessed on the Property by OTR.

Finally, this Notice is without prejudice to any prior or subsequent notices issued by the Landlord, including, without limitation, the Notice of Default and Demand for Cure for Monetary Breach dated February 13, 2012 and the Termination Notice (personally served on you, as the Tenant's Registered Agent, on March 3, 2012), or any action that the Landlord has previously initiated in the Superior Court of the District of Columbia, including, without limitation, *2441 Bond St Equities, LLC v. GBP, LLC t/a Tackle Box,* 2012 LTB 9769.

Sincerely,



Matt Wexler

cc: Joshua M. Greenberg, Esq. (via email)
Richard W. Luchs, Esq. (via email)

EXHIBIT EE

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SHIP DATE: 24APR12
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TO J. UMBEL
FBP.LLC
3245 M ST NW

WASHINGTON DC 20007
(202) 309-6911 REF:
INV:
PO: DEPT:

FedEx Express

THU - 26 APR A1
** 2DAY **

TRK# 0200 8000 6081 9876

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DC-US DCA

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Peel here

Date: Employee #:

POD MUST BE OBTAINED WHEN DELIVERY IS COMPLETED.

☐ Other:

☐ Bill recipient shipment. Payment not available. Reattempt to be made on (date):

☐ Collect on Delivery. Payment not available. Reattempt to be made on (date):

☐ Recipient requested hold for pickup

☐ Future delivery. Reattempt on (date):

Attention!

THIS SHIPMENT IS BEING RETURNED FOR THE FOLLOWING REASON(S):

- ☒ Refused by recipient.
- ☐ Recipient moved and left no forwarding address or phone number.
- ☐ Recipient was not in when we attempted delivery and we were not authorized to leave shipment without a signature.
- ☐ Recipient's address on your shipment was incorrect and/or incomplete and we were unable to obtain the correct address.
- ☐ A Post Office box number was the only address given or obtainable.
- ☐ Unable to collect C.O.D. charges.
- ☐ Shipper requested return.
- ☐ Company policy does not allow us to keep an undeliverable shipment longer than 5 days.
- ☐ Other:

Questions? Call 1.800.Go.FedEx® 800.463.3339.

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☐ Address is correct/Recipient no longer at this address

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9875
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EXHIBIT FF

GOVERNMENT OF THE DISTRICT OF COLUMBIA
NOTICE OF VIOLATION

NOTICE NO: K508004

TO: DEPARTMENT OF PUBLIC WORKS / DEPARTMENT OF TRANSPORTATION DATE OF SERVICE: 06/19/2012

RESPONDENT'S NAME: 2ND BOND STREET LOUISVILLE LLC FAIRFAX PARTNERS

ADDRESS: 2 2ND STREET NW STE 4215

CITY: WASHINGTON, DC STATE: DC ZIP CODE: 20037-1547

RESPONDENT IS: AGENT

VIOLATION LOCATION: 1205 M ST NW WASHINGTON DC 20001

DATE OF VIOLATION: 06/14/2012 11:46 AM

D.C. CODE AND/OR REGULATION VIOLATED: 0584 - DC CODE 8-302

VIOLATION LOCATION: 1205 M ST NW WASHINGTON DC 20001
SQUARE: 1207 SUFFIX: LOT: 0800 WARD: 2

VIOLATION OBSERVED

NATURE OF VIOLATION: Illegal Dumping Of Waste From Private Property To Private Property

INSPECTOR NOTES: Chubbie Box Restaurant- Remove ground soiled surface which is contaminate with cooking oil from rear of properties down to concrete and replace with clear sealant provided. Must have proper waste containers for disposal of rodents & cooking oil & other waste from cooking operations at the rear of the facility. NOTE: Waste containers and waste containers that stored Must be kept sealed to maintain proper & hazardous and or unsafe conditions. Must be maintained on a regular basis. Brief of rodents observed in the rear dock of storage area. (See additional statements/witness statements if box is checked)

SAME VIOLATION WITHIN 60 DAYS? NO

FINE: $1000

ABATEMENT REQUIRED? YES WITHIN 14 DAYS
IF ABATEMENT IS REQUIRED, YOU MUST, IN ADDITION TO PAYING APPLICABLE FINES AND PENALTIES

Property Owner Shall Not Permit Any Person To Dispose

IF YOU DO NOT ABATE THE VIOLATION, YOU MAY BE REQUIRED TO PAY UP TO THREE TIMES THE COST OF ABATEMENT, IN ADDITION TO ANY FINE OR OTHER PENALTY. FOR QUESTIONS REGARDING ABATEMENT OR TO ARRANGE FOR REINSPECTION PLEASE CALL (202) 645-7600 FOR DEPARTMENT OF PUBLIC WORKS OR (202) 645-7630 FOR DEPARTMENT OF TRANSPORTATION

I personally observed and determined that the violation charged above has been committed. I further certify, under penalty of perjury, that [] the Respondent is not in the military service of the United States. [] the Respondent is in the military service of the United States. [] I am unable to determine whether the Respondent is in the military service of the United States.

Officer's Signature Print Name Title Badge #

Respondent has the right to contest the charges and/or regulations stated above. You must write and send to the Office of Administrative Hearings. Your answer must be RECEIVED within 14 CALENDAR DAYS of the date of service noted above or 19 CALENDAR DAYS if you received this by mail. You must also indicate below whether you ADMIT, ADMIT WITH EXPLANATION, or DENY. Please see the attached document for the address of the Office of Administrative Hearings and other important information.

If you DENY this violation, you must appear for a hearing. You will receive an order from the Office of Administrative Hearings with the hearing date.

ANSWER: [] ADMIT (Pay Fine) [] DENY (Appear for a Hearing) [] ADMIT WITH EXPLANATION (Hearing Not Required) [] I HAVE [] I HAVE NOT completed the required abatement action.

Participant's Signature	Print Name	Date	Telephone Number

ANSWERING THIS NOTICE OF VIOLATION

DEADLINE: You must answer this Notice within 14 calendar days of the date of service listed on the top of the other side of this Notice (19 calendar days if you received this Notice by mail.) If you do not, you will be subject to an order finding you in default and assessing both the fine stated on the other side, and an additional penalty, equal to the amount of that fine. You also may be subject to other penalties and actions allowed by law, including an assessment of up to three times the cost of abating the violation, suspension or non-renewal of any District of Columbia license or permit that you hold, the sealing of your business and the placement of a lien on property that you own.

WHERE TO ANSWER: Your answer must be received by the Office of Administrative Hearings by the deadline stated above. The Office of Administrative Hearings is an independent agency of the District of Columbia Government, and is not part of the Department of Public Works or the Department of Transportation.

BY MAIL:

CLERK
Office of Administrative Hearings
One Judiciary Square
441 – 4th Street, NW, Suite #450North
Washington, DC 20001

IN PERSON:

Office of Administrative Hearings
441- 4th Street, NW, Suite #450 North
Washington, DC 20001

TELEPHONE: 202 442-9094

HOW TO ANSWER: You must answer with a plea of **ADMIT, ADMIT WITH EXPLANATION, or DENY**. The instructions below give information about how to answer with each of these pleas.

1. **To Admit and Pay the Fine.** If you wish to admit liability, you also must pay the fine at the same time. Sign at the bottom of the other side of this Notice and check the Admit box. Mail or bring this Notice to one of the addresses above, with a check or money order for the amount of the fine, payable to "D.C. TREASURER." We cannot accept cash payments. Write the notice of violation number on your check or money order.

2. **To Deny and Request an In-Person Hearing.** If you wish to deny liability for the violation, sign at the bottom of the other side of this Notice and check the Deny box. Mail or bring this Notice to one of the addresses above. A hearing will be scheduled at which you and the inspector must appear. At the hearing, both you and the inspector can explain your positions to an independent Administrative Law Judge, who will decide whether you committed the violation and whether you must pay a fine. You will receive a notice from the Office of Administrative Hearings with information about your hearing date.

3. **To Admit with Explanation and Request a Hearing by Mail.** If you wish to admit liability, but want to submit an explanation that you would like an independent Administrative Law Judge to consider in deciding whether the fine should be reduced or suspended, sign at the bottom of the other side of this Notice and check the Admit with Explanation box. Mail or bring this Notice, along with your written explanation and any supporting documents, photographs, or other materials to one of the addresses above.

IMPORTANT: Keep a copy of everything that you send to the Office of Administrative Hearings.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
NOTICE OF VIOLATION

NOTICE NO: K508004





GOVERNMENT OF THE DISTRICT OF COLUMBIA
NOTICE OF VIOLATION

NOTICE NO. K508004

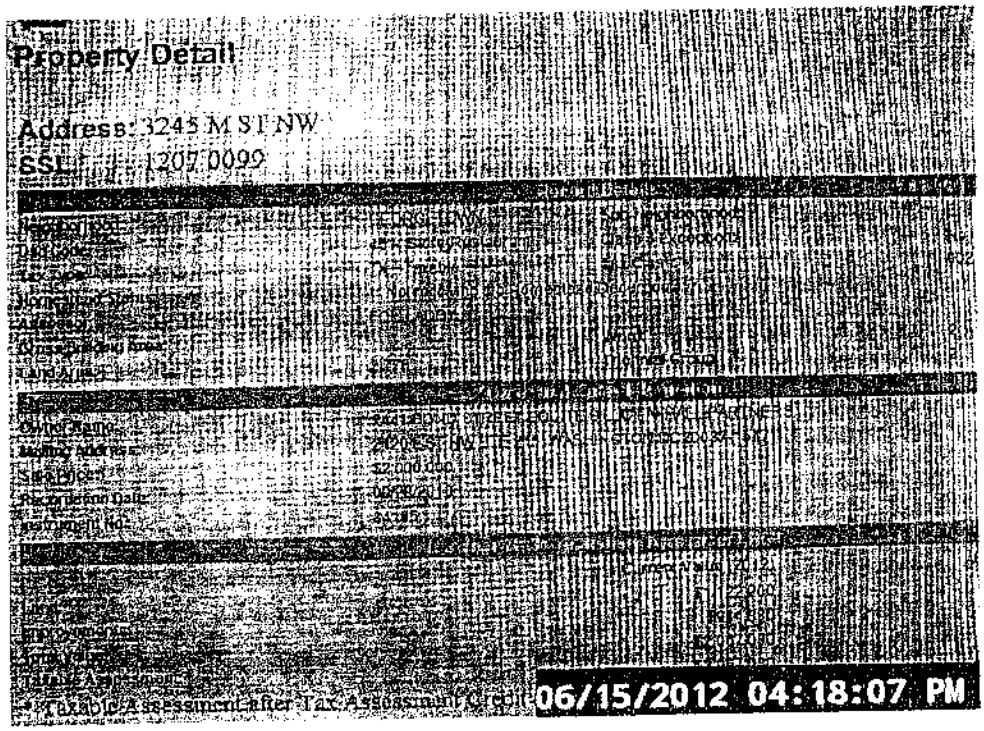




GOVERNMENT OF THE DISTRICT OF COLUMBIA
NOTICE OF VIOLATION

NOTICE NO. K508004





June 15, 2012

To Whom It May Concern

Ref: Eyewitness Statement about dumping in the rear of 3249 M Street by workers at 3245 M Street (Tackle Box Restaurant)

For some time I have observed the evidence of dumping of grease and other liquids by the Tackle Box Restaurant on to the property in the rear of 3249 M Street, NW. Just last night (June 13, 2012) at 10:45pm, I observed first hand large quantities of liquid grease gushing forcefully through the fence and on to the neighboring property. The amount of liquid was such that it traveled some 100 feet into a sewer drain in the alley.

M - 508004 - 6/14/2012
Sq # 1237

Statement about dumping in the rear of 3245/3249 M Street NW (Tackle Box Restaurant)

June 15, 2012

To Whom It May Concern:

I live and work on Potomac Street. My back yard shares the alley with stores and restaurants on M Street. For some time I observed the residue of grease and other waste liquids that has been accumulating on the rear property of 3245 M St, NW. Not only was this an ugly sight, it had a foul smell and attracted a growing family of rats. On June 13 and 14, 2012 at around 8:30am, I observed large quantities of [illegible] liquids and grease pouring through the fence from the Tackle Box Restaurant from the back yard of 3245 M St. I also observed the same dumping in the evening of June 13 at around 10:45pm.

M-508004 - 6/14/2012
Sig #1207

June 15, 2012

To Whom it May Concern

Eyewitness Statement about Dumping by Tackle Box Restaurant

Previously, I have been working on a property doing maintenance on buildings that have a backyard and direct view of the Potomac Street alley. For several days, I observed dumping of large amounts of oil and liquid waste each morning on to the property at 3240 M St. coming from the Tackle Box Restaurant. I called Mr. Price and told him about this dumping.

K-508004 - 4/14/2012
Sg# 12457 C 11/4

K-508004 - 6/14/2012
Sg# 1207 6/14/2012

EXHIBIT GG

DISTRICT OF COLUMBIA

OFFICE OF ADMINISTRATIVE HEARINGS

441 4th Street, N.W., Suite 450 North

Washington, DC 20001

DISTRICT OF COLUMBIA DEPARTMENT OF PUBLIC WORKS Petitioner, v. 2441 BOND STREET EQUITIES LLC FAXHALL PARTNERS Respondent.	Case No.: 2012-DPW-K508004

ANSWER AND DENIAL

Respondent 2441 Bond St Equities LLC ("2441"),[1] through counsel, hereby submits its Answer to the Notice of Violation (the "Notice") issued in Case No. 2012-DPW-K508004. 2441 hereby DENIES the violation cited. The Notice describes the violation as the "[i]Illegal dumping of waste from private propert [sic] to private property" and, in the Inspectors Notes section, identifies the culpable party as "Tackle Box Restaurant." *See Notice.*

2441 challenges the Notice by Petitioner, the Department of Public Works ("DPW"), as the DPW cited the wrong entity as responsible for the alleged violation. 2441 is the owner of the real property and improvements located at 3245 M Street, N.W. in Washington, D.C. (the "Premises"). Pursuant to a lease dated September 28, 2010 (the "Lease"), 2441 leased the Premises to GBP, LLC d/b/a Tackle Box ("GBP"). Attached to this Answer as Exhibit A is a

[1] The Respondent is incorrectly identified as "2441 Bond Street Equities LLC Faxhall Partners." The owner of the real property and improvements is 2441 Bond St Equities LLC.

4514241

LAW OFFICES
GREENSTEIN DELORME & LUCHS, P.C.
1620 L STREET, N. W
SUITE 900
WASHINGTON, D.C. 20036-5605
AREA CODE 202-452-1400

true and correct copy of the Lease. The Lease provides that GBP will use and operate the Premises as a "fast-casual restaurant," and, in fact, a seafood restaurant known as Tackle Box operates out of the Premises. *See Exhibit A at p. 1, Section 1.01.F.* The Lease requires GBP to prevent the accumulation of garbage, trash or other waste in an around the Premises, including, without limitation, the alleys, service areas, sidewalks and loading docks and bays. *See Exhibit A at p. 14, Section 10.01.C.* This same provision explicitly provides that GBP is to "otherwise maintain the same in accordance with all applicable laws and ordinances." *Id.* The Lease also requires that GBP establish a "bi-monthly cleaning program" with respect grease traps in order to eliminate sewer back-ups and health hazards. *Id. At p. 14, Section 10.01.D.*

It is GBP, as 2441's tenant, which is responsible for the proper dumping of waste pursuant to Lease. It is GBP which is required to comply with all DC laws and regulations, including ensuring that its trash is properly containerized and does not spill into the alley and that all grease is properly containerized and disposed of. D.C. Code § 8-902 provides that it is unlawful for "any person to dispose or cause or permit the disposal" of the prohibited waste. It is fairly common and obvious the tenant is responsible for the day to day operation of the restaurant business, including the trash dumpsters and area around such dumpsters and the proper disposal of trash, grease and other liquids. Additionally, DPW is well aware that GBP is responsible for the alleged violation, as attached to the Notice are several eyewitness statements which identifying "Tackle Box Restaurant" employees as those responsible for the dumping of grease and other liquids in the rear of the Premises. *See Notice.*

2441 had no role, either active or passive with respect to the alleged violation. In fact, on March 6, 2012, 2441 issued a Notice of Default and Demand for Cure for Non-Monetary Breach to GBP (the "Default Notice"). A true and correct copy of the Default Notice is attached hereto as Exhibit B. In the Default Notice, GBP was advised that 2441 had observed a collection of garage and trash at the rear of the Premises, that the same was a health hazard, and that GBP was in breach of Section 10.01.C of the Lease. *See Exhibit B at p. 3.* The Default Notice also demanded that GBP provide 2441 with copies of the contracts evidencing its required bi-monthly cleaning program as to the grease traps. *Id.* Given the fact that it is GBP who is in control of the daily operations at the Premises and was put on notice of these very issues by 2441, it is GPW that should be named as the respondent.

THEREFORE, 2441 Bond DENIES the allegations set forth in the Notice of Violation and requests that (i) this matter be set for a hearing; and (ii) that DPW name GBP as the respondent in the Notice, not 2441.

Respectfully submitted,

GREENSTEIN DELORME & LUCHS, P.C.

Dated: July 9, 2012

Lyle M. Blanchard, DC # 467457
Joshua M. Greenberg, DC $ 489323
1620 L Street, N.W., Suite 900
Washington, DC 20036-5605
Telephone: (202) 452-1400
Fax: (202) 452-1410

Counsel for Respondent 2441 Bond St Equities, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Answer and Denial was served via first class mail, postage prepaid, this 9th day of July, 2012 on the following:

Director
DC Public Works
2000 14th Street N.W.
8th Floor
Washington, DC 20009

Petitioner

Stephen O. Hessler, Esq.
Hessler & Associates
1313 F Street, N.W.
Suite 300
Washington, D.C. 20004

Counsel for GBP, LLC d/b/a Tackle Box

Joshua M. Greenberg

4514241

EXHIBIT HH

DISTRICT OF COLUMBIA
ADMINISTRATIVE HEARINGS
2012 AUG -3 PM 12:14

DISTRICT OF COLUMBIA
OFFICE OF ADMINISTRATIVE HEARINGS
One Judiciary Square
441 Fourth Street, NW
Suite 450N
Washington, DC 20001-2714
TEL: (202) 442-9094 · FAX: (202) 442-4789

DISTRICT OF COLUMBIA DEPARTMENT OF PUBLIC WORKS Petitioner v. 2441 BOND STREET EQUITIES LLC FAXHALL PARTNERS Respondent	Case No.: 2012-DPW-K508004 NOV No.: K508004

HEARING NOTICE AND SCHEDULING ORDER

On June 21, 2012, Respondent answered the Notice of Violation in this matter with a plea of Deny. A hearing will take place before an Administrative Law Judge on **September 11, 2012**, at **9:30 a.m.** at the Office of Administrative Hearings, 441 Fourth Street, NW, Suite 450N, Washington, DC 20001.

Both the Respondent and the Department of Public Works should read the important information below.

IMPORTANT INFORMATION

I. If You Fail To Appear For the Hearing

Both the Respondent and the Department of Public Works must appear for the hearing.

If the Respondent fails to appear for a scheduled hearing without good cause, the Respondent will be subject to a penalty equal to twice the amount of the fine. D.C. Official Code § 8-807(c)(2).

If the Department of Public Works fails to appear for a scheduled hearing without good cause, the case will be subject to dismissal.

II. Asking for a New Hearing Date

If either party (the Respondent or the Department of Public Works) has a good reason to ask for a new hearing date, that party should file a written request for a new hearing date as soon as possible. You must contact the other party to ask if that party will consent to your request. Your request must state when and how you tried, in good faith, to contact the other party and must state whether that party agreed.

Even if both sides consent to a new hearing date, only the Office of Administrative Hearings can change the hearing date in this case. If a hearing date is changed, you will receive a notice from the Office of Administrative Hearings.

A form that may be used to request a new hearing date is available from the Clerk of the Office of Administrative Hearings at the address at the beginning of this Order.

III. Your Rights at the Hearing

Both the Respondent and the Department of Public Works will have the following rights at the hearing:

The right to testify and to explain your position to the Administrative Law Judge;

The right to have witnesses testify for you;

The right to ask questions of any witness called by another party;

The right to ask the Administrative Law Judge to look at evidence (documents, photographs, or any other proof that you have).

IV. Rights to Be Represented at the Hearing

A. Respondent

You may represent yourself. You may (but are not required to) have a lawyer represent you.

A family member may represent an individual Respondent, provided that there is no charge for the representation.

A corporation, partnership, or other legal entity may be represented by an authorized officer, director, general partner or employee.

If the Respondent has a pre-existing contractual relationship that is substantially related to the subject matter of this case, then the other party to the contract may represent the Respondent, with the Respondent's consent. For example, if the Respondent consents, a tenant or a property manager may represent the owner of a property where the violation allegedly occurred.

B. The Department of Public Works

An attorney or an employee authorized by the Department of Public Works may represent the Department at the hearing.

V. Procedural Rules

The procedural rules governing this case may be found at Chapter 28 of Title 1 of the District of Columbia Code of Municipal Regulations. A copy of the rules is available at the Office of Administrative Hearings at the address listed above, or at www.oah.dc.gov.

VI. Lists of Documents and Witnesses

At least five (5) business days before the hearing, both parties must file with the Office of Administrative Hearings:

A copy of all documents, photographs or other items that you wish to present as evidence; and

A list of any witnesses you will ask to testify at the hearing. (The inspector who issued the Notice of Violation, and the Respondent and Respondent's representative do not have to be listed.)

The witness list, copies of documents, photographs, or other items or papers that you file must contain a certificate of service stating that you sent them to the other party's representative(s), whose address(es) are found on page 6.

The Administrative Law Judge, in his or her discretion, may refuse to allow you to present any item that you have not filed and sent to the other party as required above, and may refuse to allow you to call a witness who is not named on a witness list.

NOTE: A copy of any statement, document, photograph or other exhibit filed by the Respondent with the plea of Deny is attached to this Order.

VII. Interpreters and Accessibility

If a party or witness is deaf, or cannot readily understand or communicate the spoken English language because of a hearing impediment or the inability to speak or understand the English language, the party or witness may request an interpreter.

If a party requires an interpreter or another kind of reasonable accommodation, please follow the procedures that are outlined in the enclosed "Accessibility" notice, which is written in English and Spanish.

VIII. Servicemembers' Rights

If you are a member of the United States Armed Forces on active duty, you may have certain rights under the Service members Civil Relief Act 50 U.S.C.S. Appx. §501 *et seq.*, including the right to have this case postponed while you are on active duty. If you think you may qualify under this law, you should notify the Office of Administrative Hearings before the date of your hearing to ensure that your rights are protected.

Samuel McClendon
Principal Administrative Law Judge

Certificate of Service:

By First Class Mail (Postage Paid):

2441 BOND STREET EQUITIES LLC
FAXHALL PARTNERS
2120 L STREET NW
STE 215
Washington, DC 20037

Lyle M. Blanchard, Esq.
Joshua M. Greenberg, Esq.
1620 L Street, NW Suite 900
Washington, DC 20036-5605

I hereby certify that on 3 Aug., 2012, this document was caused to be served upon the parties named on this page at the addresses listed and by the means stated.

Clerk / Deputy Clerk

By Inter-Agency Mail:

Christine V. Davis, General Counsel
Department of Public Works
2000 14th Street, NW, 6th Floor
Washington, DC 20009

Reginald May
Department of Public Works
Deputy Division Chief for the
Solid Waste Education and Enforcement
Program
2800B New York Avenue, NE
Washington, DC 20002

EXHIBIT II

DISTRICT OF COLUMBIA
OFFICE
ADMINISTRATIVE HEARINGS
2012 AUG 15 AM 11:44

DISTRICT OF COLUMBIA
OFFICE OF ADMINISTRATIVE HEARINGS
441 4th Street, N.W., Suite 540 South
Washington, DC 20001

DISTRICT OF COLUMBIA DEPARTMENT OF PUBLIC WORKS Petitioner, v. 2441 BOND STREET EQUITIES LLC FAXHALL PARTNERS Respondent.	Case Nos.: 2012-DPW-K508004 NOV No.: K508004 Judge Samuel McClendon

CONSENT MOTION TO CONTINUE

RESPONDENT 2441 BOND ST EQUTIES, LLC ("2441 Bond")[1], through counsel, and with the consent of the Petitioner District of Columbia Department of Public Works ("DPW") hereby moves for a continuance of the evidentiary hearing scheduled in the above-captioned matter due to a pre-existing conflict on the calendar of undersigned counsel for 2441 Bond.

Pursuant to OAH Rule 2810.2, on or about July 9, 2012, 2441 Bond filed its Answer and Denial for Notice of Violation No. K508004 (the "Notice"). The Court on August 3, 2012 issued a Hearing Notice and Scheduling Order (the "Hearing Notice") setting the Notice for an evidentiary hearing on Wednesday, September 11, 2012. Upon receiving the Hearing Notice, undersigned counsel reviewed his calendar and discovered that a conflict would preclude appearing on the scheduled date.

[1] The Respondent is incorrectly identified as "2441 Bond Street Equities LLC Faxhall Partners" throughout this matter. The correct name of the Respondent is "2441 Bond St Equities, LLC."

LAW OFFICES
GREENSTEIN DELORME & LUCHS, P.C.
1620 L STREET, N. W.
SUITE 900
WASHINGTON, D.C. 20036-5605
AREA CODE 202-452-1400

Specifically, on September 11, 2012, undersigned counsel will be in the second (2nd) day of what is anticipated to be a three (3) day jury trial in the matter of *Lenkin Company Management, Inc. v. Embassy of Pakistan (Interests Section of the Islamic Republic of Iran)*, 2007 LTB 022844, the Honorable Anita Josey-Herring presiding. Undersigned counsel will also be out of the office for the balance of that week (September 13 and 14) on an unrelated personal matter. Should the aforementioned jury trial not be concluded by the close of business on September 12, 2012, undersigned counsel anticipates the trial to continue on the following Monday, September 17, 2012.

On August 14, 2012, undersigned counsel called Christine Davis, Esq., in the DPW Director's Office, to discuss the Notice, the conflict with the hearing date and to ascertain if DPW would consent to a continuance of the Hearing in this matter. While Ms. Davis was unavailable, undersigned counsel spoke with Ms. Diane Winford who indicated that she was authorized to consent to 2441 Bond's request for a continuance and that DPW did in fact consent to 2441 Bond's requested relief.

In order to assist OAH in rescheduling this matter, 2441 Bond provides the following dates on which undersigned counsel has a previously scheduled matter and is, therefore, unavailable:

September 17-21, 2012
September 24, 2012
September 27-28, 2012
October 1-2, 2012
October 8, 2012
October 10, 2012
October 24-29, 2012

For these reasons, the Respondent requests that this Court grant the motion and continue the hearing in this matter.

Respectfully submitted,

GREENSTEIN DELORME & LUCHS, P.C.

Dated: August 15, 2012

Joshua M. Greenberg (D.C. Bar No. 489323)
Lyle M. Blanchard (D.C. Bar No. 467457)
Richard W. Luchs (D.C. Bar No. 243931)
1620 L Street, N.W.
Suite 900
Washington, DC 20036-5605
Telephone: (202) 452-1400
Fax: (202) 452-1410

Counsel for Respondent 2441 Bond St Equities, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this Consent Motion to Continue Hearing was served via messenger this 15th day of August, 2012 on the following:

Christine V. Davis, Esq.
Department of Public Works
2000 14th Street, N.W.
6th Floor

Joshua M. Greenberg

453157v1

EXHIBIT JJ

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
5000 Overlook Avenue, SW | Washington, DC 20032 | DC WATER.COM

NOTICE OF WARNING
SUSPECTED PROHIBITED DISCHARGE VIOLATION

ISSUED TO

Name: Dmitri Abramkine

Title: Assistant Manager

Company: Bill Fish Tackle Box

Address: 9245 M Street N.W. Wash. D.C. 20007

Phone Number: 202-357-3269

Dear Sir/Madam

The District of Columbia Water and Sewer Authority (DC Water) is issuing this Notice of Warning pursuant to the authority of the Wastewater System Regulation Amendment Act of 1985, (D.C. Law 5-95; D.C. Official Code 8-105.01 et seq.) as amended and Chapter 15 "Discharges to Wastewater System" of Title 21 of the District of Columbia Municipal Regulations. The statute cited, together with implementing regulations, authorizes DC Water to require corrective action within a specified time period and to require submission of information and records requested herein.

On 6-14-2012 DC Water investigated a partially or completely blocked sewer line located at 2425 M Street, N.W. Washington, D.C. 20007.

Your facility at the above address is suspected to be causing or contributing to a violation of the District of Columbia's prohibited discharge standards, D.C. Official Code §8-105.06(b)(2)(C), for discharging "solid or viscous substances in amounts which may cause or contribute to obstruction of the flow in a sewer or otherwise interfere with the operation of the District's wastewater system." Prohibited substances include but are not limited to, grease and other improperly pretreated garbage.

The District of Columbia Construction Codes Supplement of 2008 (D.C. Construction Codes) requires conformance with the 2006 edition of the International Plumbing Code (IPC). IPC 1003.3.1 requires the installation of a grease trap or grease interceptor to treat the drainage from fixtures and equipment with grease-laden waste located in food preparation areas, such as in restaurants, hotel kitchens, hospitals, school kitchens, bars, factory cafeterias, or restaurants and clubs. In accordance with IPC 1003.10, grease traps and interceptors must be maintained by periodic removal of accumulated grease, scum, oil, or other floating substances and solids

Finally, in accordance with D.C. Official Code §§ 8-201 and 205, and 21 DCMR § 202, the wastewater flow through the private sanitary sewer line must be maintained as needed to ensure that any and all of the drainage from your lot flows into the public sewer to prevent the occurrence of sanitary sewer overflows on your property.

DIRECTIVE

If you do not currently have a grease trap or interceptor you must install one to comply with the currently approved DC Plumbing Code and to avoid discharging prohibited substances to the District's wastewater sewer system.

If you already have a grease trap or interceptor, you must check that it is operating properly and adequately removing these prohibited substances from the wastewater. You may need to increase the frequency of your cleaning and maintenance to ensure proper operation. DC Water recommends that you establish a service contract for cleaning with a reputable waste hauler.

Attached is a Food Establishment Wastewater Questionnaire. Please complete and sign the questionnaire, and mail it within 15 calendar days of the date of this notice to: Pretreatment Coordinator, DC Water, 5000 Overlook Avenue, S.W. Washington, DC 20032 or fax to (202) 787-4226. Call (202) 787-4177 if you have questions regarding completion of this form.

Failure to comply may result in further enforcement action and administrative fines up to $1,000 per day.

NOTICE RECEIVED BY

Print Name of Recipient: DMITRI ABRAMKINE

Position/Title: Asst. Manager

Recipient Signature:

Date Received: 6/14/12

ISSUED BY

Print Name of DC Water Rep. & ID#: Taylor Poland ID# 2040

Signature:

Date Issued: 6-14-2012

Superior Court of the District of Columbia
CIVIL DIVISION
500 Indiana Avenue, N.W., Suite 5000
Washington, D.C. 20001 Telephone: (202) 879-1133

2441 Bond St. Equities, LLC
2120 L Street, N.W., Suite 315 Plaintiff
Washington, DC 20037
vs.

000676-12

Case Number _____

Jonathan Umbel
6600 32nd Place, N.W. Defendant
Washington, DC 20015

SUMMONS

To the above named Defendant:

You are hereby summoned and required to serve an Answer to the attached Complaint, either personally or through an attorney, within twenty (20) days after service of this summons upon you, exclusive of the day of service. If you are being sued as an officer or agency of the United States Government or the District of Columbia Government, you have sixty (60) days after service of this summons to serve your Answer. A copy of the Answer must be mailed to the attorney for the party plaintiff who is suing you. The attorney's name and address appear below. If plaintiff has no attorney, a copy of the Answer must be mailed to the plaintiff at the address stated on this Summons.

You are also required to file the original Answer with the Court in Suite 5000 at 500 Indiana Avenue, N.W., between 8:30 a.m. and 5:00 p.m., Mondays through Fridays or between 9:00 a.m. and 12:00 noon on Saturdays. You may file the original Answer with the Court either before you serve a copy of the Answer on the plaintiff or within five (5) days after you have served the plaintiff. If you fail to file an Answer, judgment by default may be entered against you for the relief demanded in the complaint.

Joshua M. Greenberg
Name of Plaintiff's Attorney
Greenstein DeLorme & Luch, P.C.
1620 L Street, N.W., Suite 900
Address
Washington, DC 20036

(202) 452-1400
Telephone

Clerk of the Court

By _____
Deputy Clerk

Date August 17, 2012

如需翻译,请打电话 (202) 879-4828 Veuillez appeler au (202) 879-4828 pour une traduction Để có một bài dịch, hãy gọi (202) 879-4828
번역을 원하시면, (202) 879-4828 로 전화주십시요 የአማርኛ ትርጉም ለማግኘት (202) 879-4828 ይደውሉ

IMPORTANT: IF YOU FAIL TO FILE AN ANSWER WITHIN THE TIME STATED ABOVE, OR IF, AFTER YOU ANSWER, YOU FAIL TO APPEAR AT ANY TIME THE COURT NOTIFIES YOU TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU FOR THE MONEY DAMAGES OR OTHER RELIEF DEMANDED IN THE COMPLAINT. IF THIS OCCURS, YOUR WAGES MAY BE ATTACHED OR WITHHELD OR PERSONAL PROPERTY OR REAL ESTATE YOU OWN MAY BE TAKEN AND SOLD TO PAY THE JUDGMENT. IF YOU INTEND TO OPPOSE THIS ACTION, *DO NOT FAIL TO ANSWER WITHIN THE REQUIRED TIME.*

If you wish to talk to a lawyer and feel that you cannot afford to pay a fee to a lawyer, promptly contact one of the offices of the Legal Aid Society (202-628-1161) or the Neighborhood Legal Services (202-269-5100) for help or come to Suite 5000 at 500 Indiana Avenue, N.W., for more information concerning places where you may ask for such help.

See reverse side for Spanish translation
Vea al dorso la traducción al español

Superior Court of the District of Columbia
CIVIL DIVISION
500 Indiana Avenue, N.W., Suite 5000
Washington, D.C. 20001 Telephone: (202) 879-1133

2441 Bond St Equities, LLC
2120 L Street, N.W., Suite 315 Plaintiff
Washington, DC 20037

vs.

Case Number 0006700-12

Bethany Umbel
6600 32nd Place, N.W. Defendant
Washington, DC 20015

SUMMONS

To the above named Defendant:

You are hereby summoned and required to serve an Answer to the attached Complaint, either personally or through an attorney, within twenty (20) days after service of this summons upon you, exclusive of the day of service. If you are being sued as an officer or agency of the United States Government or the District of Columbia Government, you have sixty (60) days after service of this summons to serve your Answer. A copy of the Answer must be mailed to the attorney for the party plaintiff who is suing you. The attorney's name and address appear below. If plaintiff has no attorney, a copy of the Answer must be mailed to the plaintiff at the address stated on this Summons.

You are also required to file the original Answer with the Court in Suite 5000 at 500 Indiana Avenue, N.W., between 8:30 a.m. and 5:00 p.m., Mondays through Fridays or between 9:00 a.m. and 12:00 noon on Saturdays. You may file the original Answer with the Court either before you serve a copy of the Answer on the plaintiff or within five (5) days after you have served the plaintiff. If you fail to file an Answer, judgment by default may be entered against you for the relief demanded in the complaint.

Clerk of the Court

Joshua M. Greenberg
Name of Plaintiff's Attorney
Greenstein DeLorme & Luchs, P.C.
1620 L Street, N.W., Suite 900
Address
Washington, DC 20036

(202) 452-1400
Telephone

By _____
Deputy Clerk

Date August 17, 2012

如需翻译,请打电话 (202) 879-4828 Veuillez appeler au (202) 879-4828 pour une traduction Để có một bài dịch, hãy gọi (202) 879-4828
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Vea al dorso la traducción al español

Superior Court of the District of Columbia

CIVIL DIVISION- CIVIL ACTIONS BRANCH

INFORMATION SHEET

2441 Bond St Equities, LLC

vs

Jonathan Umbel et al.

Case Number: 0006700-12

Date: 8/17/12

☐ One of the defendants is being sued in their official capacity.

Name: *(Please Print)* Joshua Greenberg	Relationship to Lawsuit ☒ Attorney for Plaintiff
Firm Name: Greenstein DeLorme & Luchs, P.C. 489323	☐ Self (Pro Se)
Telephone No.: (202)452-1400 Six digit Unified Bar No.: 489323	☐ Other:

TYPE OF CASE: ☒ Non-Jury ☐ 6 Person Jury ☐ 12 Person Jury

Demand: $ 400,000.00 plus amount to be proven at trial Other:

PENDING CASE(S) RELATED TO THE ACTION BEING FILED

Case No.: Judge: Calendar #:

Case No.: Judge: Calendar#:

NATURE OF SUIT: *(Check One Box Only)*

A. CONTRACTS

☒ 01 Breach of Contract
☐ 02 Breach of Warranty
☐ 06 Negotiable Instrument
☐ 15 Special Education Fees
☐ 07 Personal Property
☐ 09 Real Property-Real Estate
☐ 12 Specific Performance
☐ 13 Employment Discrimination

COLLECTION CASES

☐ 14 Under $25,000 Pltf. Grants Consent
☐ 16 Under $25,000 Consent Denied
☐ 17 OVER $25,000

B. PROPERTY TORTS

☐ 01 Automobile
☐ 02 Conversion
☐ 07 Shoplifting, D.C. Code § 27-102 (a)
☐ 03 Destruction of Private Property
☐ 04 Property Damage
☐ 05 Trespass
☐ 06 Traffic Adjudication

C. PERSONAL TORTS

☐ 01 Abuse of Process
☐ 02 Alienation of Affection
☐ 03 Assault and Battery
☐ 04 Automobile- Personal Injury
☐ 05 Deceit (Misrepresentation)
☐ 06 False Accusation
☐ 07 False Arrest
☐ 08 Fraud
☐ 09 Harassment
☐ 10 Invasion of Privacy
☐ 11 Libel and Slander
☐ 12 Malicious Interference
☐ 13 Malicious Prosecution
☐ 14 Malpractice Legal
☐ 15 Malpractice Medical (Including Wrongful Death)
☐ 16 Negligence- (Not Automobile, Not Malpractice)
☐ 17 Personal Injury- (Not Automobile, Not Malpractice)
☐ 18 Wrongful Death (Not Malpractice)
☐ 19 Wrongful Eviction
☐ 20 Friendly Suit
☐ 21 Asbestos
☐ 22 Toxic/Mass Torts
☐ 23 Tobacco
☐ 24 Lead Paint

SEE REVERSE SIDE AND CHECK HERE ☐ IF USED

CV-496/May 12

500 Indiana Avenue N. W.
WASHINGTON, DC 20001

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Information Sheet, Continued

C. OTHERS

I.

- ☐ 01 Accounting
- ☐ 02 Att. Before Judgment
- ☐ 04 Condemnation (Emin. Domain)
- ☐ 05 Ejectment
- ☐ 07 Insurance/Subrogation Under $25,000 Pltf. Grants Consent
- ☐ 08 Quiet Title
- ☐ 09 Special Writ/Warrants (DC Code § 11-941)
- ☐ 10 T.R.O./ Injunction
- ☐ 11 Writ of Replevin
- ☐ 12 Enforce Mechanics Lien
- ☐ 16 Declaratory Judgment
- ☐ 17 Merit Personnel Act (OEA) (D.C. Code Title 1, Chapter 6)
- ☐ 18 Product Liability
- ☐ 24 Application to Confirm, Modify, Vacate Arbitration Award (DC Code § 16-4315)
- ☐ 25 Liens: Tax/Water Consent Granted
- ☐ 26 Insurance/ Subrogation Under $25,000 Consent Denied
- ☐ 27 Insurance/ Subrogation Over $25,000
- ☐ 28 Motion to Confirm Arbitration Award (Collection Cases Only)
- ☐ 26 Merit Personnel Act (OHR)
- ☐ 30 Liens: Tax/ Water Consent Denied
- ☐ 31 Housing Code Regulations

II.

- ☐ 03 Change of Name
- ☐ 06 Foreign Judgment
- ☐ 13 Correction of Birth Certificate
- ☐ 14 Correction of Marriage Certificate
- ☐ 15 Libel of Information
- ☐ 19 Enter Administrative Order as Judgment [D.C. Code § 2-1802.03 (h) or 32-1519 (a)]
- ☐ 20 Master Meter (D.C. Code § 42-3301, et seq.)
- ☐ 21 Petition for Subpoena [Rule 28-I (b)]
- ☐ 22 Release Mechanics Lien
- ☐ 23 Rule 27(a) (1) (Perpetuate Testimony)
- ☐ 24 Petition for Structured Settlement
- ☐ 25 Petition for Liquidation

Attorney's Signature

8/17/12
Date

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION

2441 BOND ST EQUITIES, LLC
Vs.
JONATHAN UMBEL

C.A. No. 2012 CA 006769 B

INITIAL ORDER AND ADDENDUM

Pursuant to D.C. Code § 11-906 and District of Columbia Superior Court Rule of Civil Procedure ("SCR Civ") 40-I, it is hereby **ORDERED** as follows:

(1) Effective this date, this case has assigned to the individual calendar designated below. All future filings in this case shall bear the calendar number and the judge's name beneath the case number in the caption. On filing any motion or paper related thereto, one copy (for the judge) must be delivered to the Clerk along with the original.

(2) Within 60 days of the filing of the complaint, plaintiff must file proof of serving on each defendant: copies of the Summons, the Complaint, and this Initial Order. As to any defendant for whom such proof of service has not been filed, the Complaint will be dismissed without prejudice for want of prosecution unless the time for serving the defendant has been extended as provided in SCR Civ 4(m).

(3) Within 20 days of service as described above, except as otherwise noted in SCR Civ 12, each defendant must respond to the Complaint by filing an Answer or other responsive pleading. As to the defendant who has failed to respond, a default and judgment will be entered unless the time to respond has been extended as provided in SCR Civ 55(a).

(4) At the time and place noted below, all counsel and unrepresented parties shall appear before the assigned judge at an Initial Scheduling and Settlement Conference to discuss the possibilities of settlement and to establish a schedule for the completion of all proceedings, including, normally, either mediation, case evaluation, or arbitration. Counsel shall discuss with their clients **prior** to the conference whether the clients are agreeable to binding or non-binding arbitration. **This order is the only notice that parties and counsel will receive concerning this Conference.**

(5) Upon advice that the date noted below is inconvenient for any party or counsel, the Quality Review Branch (202) 879-1750 may continue the Conference **once**, with the consent of all parties, to either of the two succeeding Fridays. Request must be made not less than six business days before the scheduling conference date. No other continuance of the conference will be granted except upon motion for good cause shown.

(6) Parties are responsible for obtaining and complying with all requirements of the General Order for Civil cases, each Judge's Supplement to the General Order and the General Mediation Order. Copies of these orders are available in the Courtroom and on the Court's website http://www.dccourts.gov/.

Chief Judge Lee F. Satterfield

Case Assigned to: Judge JUDITH N MACALUSO
Date: August 17, 2012
Initial Conference: 9:30 am, Friday, December 14, 2012
Location: Courtroom 415
500 Indiana Avenue N.W.
WASHINGTON, DC 20001

ADDENDUM TO INITIAL ORDER AFFECTING ALL MEDICAL MALPRACTICE CASES

In accordance with the Medical Malpractice Proceedings Act of 2006, D.C. Code § 16-2801, et seq. (2007 Winter Supp.), "[a]fter an action is filed in the court against a healthcare provider alleging medical malpractice, the court shall require the parties to enter into mediation, without discovery or, if all parties agree[,] with only limited discovery that will not interfere with the completion of mediation within 30 days of the Initial Scheduling and Settlement Conference ("ISSC"), prior to any further litigation in an effort to reach a settlement agreement. The early mediation schedule shall be included in the Scheduling Order following the ISSC. Unless all parties agree, the stay of discovery shall not be more than 30 days after the ISSC." D.C. Code § 16-2821.

To ensure compliance with this legislation, on or before the date of the ISSC, the Court will notify all attorneys and *pro se* parties of the date and time of the early mediation session and the name of the assigned mediator. Information about the early mediation date also is available over the internet at https://www:dccourts.gov/pa/. To facilitate this process, all counsel and *pro se* parties in every medical malpractice case are required to confer, jointly complete and sign an EARLY MEDIATION FORM, which must be filed no later than ten (10) calendar days prior to the ISSC. Two separate Early Mediation Forms are available. Both forms may be obtained at www.dccourts.gov/medmalmediation. One form is to be used for early mediation with a mediator from the multi-door medical malpractice mediator roster; the second form is to be used for early mediation with a private mediator. Both forms also are available in the Multi-Door Dispute Resolution Office, Suite 105, 515 5th Street, N.W. (enter at Police Memorial Plaza entrance). Plaintiff's counsel is responsible for eFiling the form and is required to e-mail a courtesy copy to earlymedmal@dcsc.gov. *Pro se* Plaintiffs who elect not to eFile may file by hand in the Multi-Door Dispute Resolution Office.

A roster of medical malpractice mediators available through the Court's Multi-Door Dispute Resolution Division, with biographical information about each mediator, can be found at www.dccourts.gov/medmalmediation/mediatorprofiles. All individuals on the roster are judges or lawyers with at least 10 years of significant experience in medical malpractice litigation. D.C. Code § 16-2823(a). If the parties cannot agree on a mediator, the Court will appoint one. D.C. Code § 16-2823(b).

The following persons are required by statute to attend personally the Early Mediation Conference: (1) all parties; (2) for parties that are not individuals, a representative with settlement authority; (3) in cases involving an insurance company, a representative of the company with settlement authority; and (4) attorneys representing each party with primary responsibility for the case. D.C. Code § 16-2824.

No later than ten (10) days after the early mediation session has terminated, Plaintiff must eFile with the Court a report prepared by the mediator, including a private mediator, regarding: (1) attendance; (2) whether a settlement was reached; or, (3) if a settlement was not reached, any agreements to narrow the scope of the dispute, limit discovery, facilitate future settlement, hold another mediation session, or otherwise reduce the cost and time of trial preparation. D.C. Code § 16-2826. Any Plaintiff who is *pro se* may elect to file the report by hand with the Civil Clerk's Office. The forms to be used for early mediation reports are available at www.dccourts.gov/medmalmediation.

Chief Judge Lee F. Satterfield